

July 27, 2024

To,

**BSE Limited**  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**BSE Scrip Code: 543413**

**National Stock Exchange of India Limited**  
The Listing Department  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra – Kurla Complex, Bandra (East)  
Mumbai – 400 051

**NSE Symbol: TEGA**

**Subject: Notice of the 48th Annual General Meeting and Annual Report for the Financial Year ended March 31, 2024**

In terms of Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report for the Financial Year ended March 31, 2024 alongwith the Notice of the 48th Annual General Meeting ("AGM") of the Company.

In accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India, the aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company / Depositories.

The Notice of the AGM and Annual Report is also being uploaded on the Company's website and can be accessed at <https://www.tegaindustries.com/AGM/AnnualReport2024.pdf>.

This is for your information and records please.

Thanking you,

Yours faithfully,

For **Tega Industries Limited**

**Manjuree Rai**  
**Company Secretary & Compliance Officer**

Enclosed: As stated above

**Tega Industries Limited**

Registered Office: Godrej Waterside, Tower-II, Office No 807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata, West Bengal 700 09  
Tel: +91 33 4093 9000 | Fax: +91 33 4093 9075 | [www.tegaindustries.com](http://www.tegaindustries.com)



An ISO 9001 : 2015 Company  
CIN : L25199WB1976PLC030532

# STRENGTHENING OUR CORE SUSTAINABLY

GLOBAL PRESENCE | ROBUST MARKET POSITION | SAFETY FIRST  
| UNIQUE COMPETENCIES | STRONG CLIENT RELATIONS





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### Disclaimer

We have exercised care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the correctness, completeness and up-to-date nature of information taken and declared as being taken, from third parties, as well as for forward looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



We are dedicated to strengthening our market position through a strategic focus on product innovation and advancing premiumization. Our goal is to continuously develop new products that align with the evolving preferences of our customers. Additionally, leveraging information technology plays a crucial role in enhancing our ability to anticipate market trends, streamline operations and swiftly respond to customer feedback, thereby supporting our efforts in achieving sustained growth and market leadership

### Mehul Mohanka

Managing Director & Group CEO

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Page no.



Online Annual report  
[www.tegaindustries.com](http://www.tegaindustries.com)

## Tega is committed to engineering flawless solutions that enrich the future of mining.

Our commitment to engineering best-in-class solutions so as to empower the future of mining remains firm. We have evolved into a global multi-product player, expanding our footprint geographically and enriching our offerings to create robust value for all stakeholders. With diverse and innovative offerings, we are strengthening our core, while performing in a responsible and sustainable manner.





# BUILDING VALUE ON A ROBUST FOUNDATION

Tega is a global leader in designing and manufacturing of 'critical-to-operate' consumables and offers a comprehensive range of solutions including equipments in the mining, mineral processing and material handling industries.

We are a multi-national company with presence in 92+ countries and are headquartered in Kolkata, India. Our manufacturing facilities are located across India, Australia, Chile and South Africa which help us deliver quality and

trust. Since our inception in 1976, we have significantly expanded our product portfolio and global footprint. Our strong R&D, quality control and customer engagement have positioned us as the preferred partner for 700+ customers.



Kalgoorlie Consolidated Gold Mines (KCGM), Australia



### Vision

Committed to engineering flawless solutions that enrich the future of mining



### Mission

To distinguish ourselves in providing lasting solutions to complex problems of material handling, wear and separation of ores found in mining and mineral processing industries



### Values

- Integrity ▪ Fairness
- Transparency ▪ Empathy
- Growth and innovation
- Social development
- Sustainability ▪ Safety and wellness of employees
- Family culture ▪ Customer first
- Create value for partners and stakeholders

#### Committed

Our core competence has grown stronger through long-term investments.

#### Engineering

Our Company's focus is on addressing complex customer needs through specialized competencies and technology leadership

#### Enrich

We have developed solutions that enhance our customer's businesses by improving productivity.

**The focus behind our vision**

#### Solutions

Our offerings have evolved beyond individual products to comprehensive solutions.

#### Future

We proactively leverage advanced technologies to deliver value to our customers, enabling them to stay ahead of the curve and remain relevant in an ever evolving Industry.

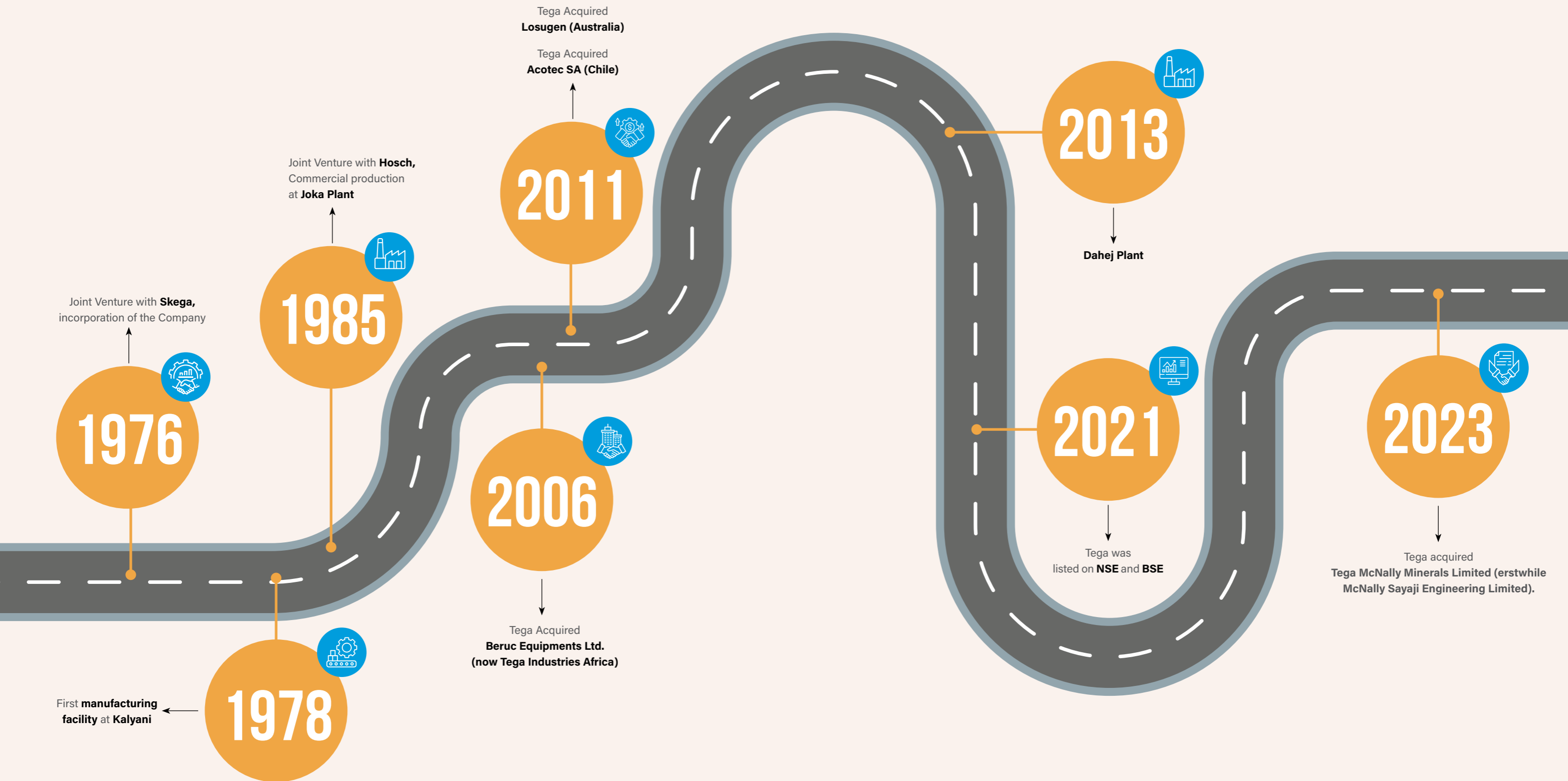
#### Flawless

To deliver decisive outcomes, we have invested consistently in people, processes and manufacturing capability.

#### Mining

At the core of our mission lies a relentless pursuit of innovation, driving us to create intelligent products, services and solutions customized exclusively for the mining industry.

# OUR JOURNEY



# TEGA AROUND THE WORLD

Customer base in

## 92+

Countries



Tega Industries Limited plant locations	Capabilities
---	--------------

Dahej, Gujarat	Mill liners, wear products, screens and trommels
Samali, West Bengal	Mill liners, wear products, hydrocyclones, screens, trommels and conveyor products
Kalyani, West Bengal	Mill liners, conveyor products, chute liners and pump liners and hydrocyclones

Tega McNally Minerals Limited plant locations	Capabilities
---	--------------

Baroda, Gujarat	Crushers, vibrating screens, feeders and other material handling equipments
Bengaluru, Karnataka	Thickener, pumps, filter press, flotation cells, sand washing plant
Asansol, West Bengal	Vibrating screens, feeders, ball mills, crushers and job shops
Kumardubi, Jharkhand	Mills, crushers, screen, feeders and job shops

Global plant locations	Capabilities
------------------------	--------------

Chile	Mill liners, trommels, chute liners, screens, pipes and pipe repair
South Africa	Mill liners, trommels, chute liners, screens
Australia	Trommels, chute liners

- Tega Industries Limited plant locations
- Tega McNally Minerals Limited plant locations
- Global plant locations

**17**  
Domestic Sales Offices

**10**  
Manufacturing Plants

**13**  
Global Sales office



# CHAIRMAN'S MESSAGE

## Strengthening our core, expanding horizons

Dear Shareholders,



It is my privilege to share with you the annual performance report of your Company for the financial year 2023-24. Your Company always had a transformational DNA and it will continue to explore new horizons of value creation and sustainability, driven by the firm commitment to engineer flawless solutions that enrich the future of mining.



Ever since we commenced our journey, we have gradually evolved into a multi-product player, growing both organically and inorganically in a niche sector. In 1998, we sharpened our focus on global markets to leverage the untapped opportunities. As we navigate an ever-evolving operating scenario, we remain firmly focused on diversifying our portfolio of solutions to provide our customers with significant value-added benefits.

Tega has now established itself as one of the very few home grown companies with a global presence. We have come a long way, since we commenced our journey and this achievement would not have been possible without the help and support of our esteemed customers and the dedication and efforts of our employees.

Our global teams, with expertise such as engineering, mining and minerals and so on, drive the commitment towards quality and excellence. We strive to be the first and best solutions-provider of recall for all our customers.

### Encouraging Overall Performance

During the year, we delivered encouraging results, driven by our commitment to operational excellence and strategic investments.

**The renaming of McNally Sayaji Engineering Limited to Tega McNally Minerals Limited is also a strategic move on our part to enhance our brand's credibility and reinforce our emphasis on product efficacy and quality assurance.**

The acquisition is a strategic backward integration process, broadening our offerings to encompass both equipment and consumables. By doing so, we can better serve the diverse requirements of our customers and explore exciting new business opportunities.

As we continue our journey, our focus remains on streamlining processes, optimizing manufacturing costs and increasing productivity by investing in technological advancements across our product range.

### Innovating Relentlessly

We are driven by a commitment to continuous innovation and market leadership. Our R&D capabilities are enabling us to build a pipeline of products and enhancements, while in-house software programmes streamline product launches. Building on successes such as DynaPrime®, Rapido and Combi-screen, we are constantly stepping up our efforts to provide best-in-class solutions that delight our customers. Sustainability is also a key focus area for us, with our R&D team developing cost-effective products that offer superior application efficiency.

We have registered various global patents and numerous trademarks, which demonstrate our commitment to innovation. These advancements not only set us apart, but also ensure we continuously deliver cutting-edge solutions for our esteemed clients.

We are constantly striving to enhance the quality and cost-effectiveness of our products. Our commitment to innovation drives us to consistently refine our offerings, ensuring they meet

the evolving needs of our customers. By focusing on product improvement, we aim to deliver sustainable solutions that not only enhance efficiency, but also reduce overall costs for our clients.

We recognize the importance of sustainability in today's world and thus, our efforts are directed towards developing products that not only excel in performance but also minimize environmental impact.

### Nurturing Client Relationships

We are nurturing strong client relationships, going above and beyond to deliver exceptional services and exceed expectations at every touchpoint. It is a commitment that has stood the test of time, as evidenced by our enduring partnerships with key customers spanning more than a decade. These long-standing relationships serve as a powerful testimony to our strong dedication to business excellence.

Even amidst our global endeavours, including acquisitions, joint ventures and strategic alliances, we have successfully maintained operational efficiency. This achievement reflects our ability to seamlessly integrate growth initiatives, while prioritizing the needs and expectations of our valued clients.

### Putting Sustainability at the Core

At Tega, we recognize the importance of responsible growth. We are committed to sustainable development, implementing practices that minimize environmental impact and contribute positively to the communities we operate in. In keeping with our commitment to responsible business practices, we have published our Business Responsibility and Sustainability Report for this reporting year.

Tega has always recognized the significance of Environment, Social and Governance (ESG) stewardship

and we are committed to progressively stepping up our ESG performance. This commitment extends beyond our operations to our global endeavours as we work diligently towards achieving a net-zero carbon footprint.

### Driving Environmental Stewardship

We embed sustainability and responsible business practices throughout our operations. This dedication empowers us to not only adhere to global standards, but also chart a sustainable path for a brighter future. Our efforts to manage emissions, water, waste and air quality demonstrate our resolve to minimize environmental impact, while enhancing operational excellence.

Our focus on emission management spans Scope 1, 2 and 3 emissions spanning our entire value chain. By switching to LPG, instead of solid and liquid forms of fuel for our boilers and furnaces, we have significantly reduced CO2 emissions. The use of pyrolysis oil extracted from waste rubber further demonstrates our approach towards circular economy practices. Our investments in solar and wind power also highlight our drive towards clean, renewable energy sources.

### Growing Societal Impact

Embracing the principle that "It Takes a Village to Raise a Child," we have strengthened our efforts in education, creative ability and healthcare for the underprivileged. Notable among these initiatives is our partnership with Disha India Community School located in Village Padha, Haryana, which focuses on experiential learning through the local community context. Our initiatives include providing education, skill development and contributing to environmental conservation efforts.

Through collaborations with organizations such as the Katakali Swapnopuron

# AWARDS & RECOGNITION

Welfare Society, we contribute to the UN Sustainable Development Goals by supporting early education centres and constructing facilities (computer labs and play areas). Our investment in skill development programmes ensures that we foster a foundation for a better tomorrow, nurturing talent and providing opportunities for underprivileged children. These efforts align with our mission to drive socio-economic growth and create a meaningful, lasting impact on the communities we serve.

## Upholding Governance and Transparency

Our robust governance structure encompasses various committees and policies, ensuring accountability and transparency across our operations.

Our Board of Directors oversees strategic, financial and risk management aspects, while our policies guide decision-making and ensure compliance with laws and regulations.

## Building Synergies Meticulously

Following our acquisition of McNally Sayaji Engineering Limited, we are focusing on creating synergies across our organization, particularly in the human resource realm. By aligning HR activities and practices, we aim to create a cohesive company culture that brings together employees from both the organizations.

We are pursuing to create shared events and activities that help build strong connections among our workforce, encouraging collaboration and mutual respect. This integration is going to be key to unlocking the full potential of our combined teams, nurturing creativity and enhancing productivity.

Through our talent management initiatives and continuous learning opportunities, we are empowering our employees to grow and adapt to their roles. While we continue to make meaningful strides towards a unified culture, our efforts will ultimately contribute to the overall success and resilience of our organization.

**At Tega, we believe Values lead to value creation, which benefits our customers, employees, partners, investors, the communities we work with and the planet as a whole. Our 5 pillars of value creation will continue to be an ethical commitment to customers and stakeholders, courage to innovate, explore new growth horizons organically and inorganically. Enduring relationships of trust with customers, responsibility towards the environment and stakeholders, above all the all-encompassing culture that differentiates Tega.**

We are committed to innovation, building on our core strengths and expanding our global footprint. We are confident that by working together, we can achieve even greater heights in the years to come.

In closing, I would also like to express our appreciation to my colleague, Syed Yaver Imam, who stepped down as an Executive Director on May 31, 2024, after over 40 years of dedicated service. He played an instrumental role in ensuring the company's successful transformation while overseeing the development of various new products. Yaver shall continue to serve on the board of directors of the Company as a Non-Executive Director.

I am deeply grateful for the confidence you have placed in the Board of Directors and the management team. Your steadfast support is invaluable to us.



At Tega, we recognize the importance of responsible growth. We are committed to sustainable development, implementing practices that minimize environmental impact and contribute positively to the communities we operate in. In keeping with our commitment to responsible business practices, we have published our Business Responsibility and Sustainability Report for this reporting year.

I am optimistic that our Company's solid foundation, combined with the expanding business landscape, will strengthen our prospects and enable us to enhance value for all our stakeholders sustainably.

Thank you shareholders for your continued support and confidence.

Sincerely,

**Madan Mohan Mohanka**  
Chairman



Asian Family Business Award



Met Plant- Innovation Award



Risk Management Award



CII - ENCON Award



Great Place To Work Award



# MANAGING DIRECTOR AND GROUP CEO'S MESSAGE

## Building a Stronger Future



Dear Shareholders,



Our growing global footprint provides a significant business opportunity for Tega. Our foremost priority lies in propelling digital transformation, seamlessly integrating technology and business to drive organizational change.

It is my privilege to present the Annual Report along with our second Business Responsibility and Sustainability Report (BRSR).

We achieved record results in FY 2023 - 24 with a superior earnings profile, supported by a strong balance sheet, driven by our culture which supports empowerment and accountability. Our performance during the Financial Year 2023-24 was remarkable with the group revenue from operations increasing to ₹ 14,927 Million from ₹ 12,140 Million last year resulting in approximately 23% growth. Such growth is mainly attributable to our sharp focus on providing innovative engineering solutions to our customers and the recently acquired equipment business segment. We improved the operating EBITDA to ₹ 3,382 Million from ₹ 2,911 Million last year. There was improved performance across all our geographical regions, a testament to the effectiveness of our strategic initiatives.

### Segment-wise Performance

Our Consumables business segment achieved a commendable EBITDA margin of 23%, while the Equipment business segment also demonstrated significant improvement in the EBITDA margin. Our order book, remains strong with a year-to-year growth of 32%, demonstrating sustainable traction across all our product lines. Our revenue breakdown by geography displayed a balanced performance, with domestic revenues contributing 25% and international revenue accounting for an impressive 75%. This was achieved despite a challenging global macro environment scenario characterized by geopolitical issues in West Asia & Europe, the Red

Sea crisis, currency volatility, supply chain disruptions, increased freight costs and inflationary pressures on raw materials. We have navigated the above challenges and actively focused on expanding our market share across all markets.

Our credit rating has been upgraded to 'CRISIL AA-/Stable/CRISIL A1+' from 'CRISIL A+/Stable/CRISIL A1'. This upgrade reflects our strengthened business risk profile, innovative products, loyal customer base, geographic diversification and comprehensive solution approach towards sale of equipment, consumables as well as services.

### Expansion and Growth strategies

Last year, we entered into a partnership with Europe's largest copper mine, marking a significant milestone in the mineral processing sector. The six-year agreement, which commenced on January 1, 2024, involves the supply, installation and management of our products, with the mine expected to spend ₹ 6,852 Million. This tailored collaboration underscores our commitment to deliver customized solutions that meet the unique demands of our clients, ensuring mutual success and growth.

Our growing global footprint provides a significant business opportunity for Tega. Our foremost priority lies in propelling digital transformation, seamlessly integrating technology and business to drive organizational change. We are constantly pushing the boundaries of our sector, developing disruptive solutions through Research and Development (R&D), thereby fostering a unique open innovation ecosystem. We are integrating digital capabilities like IoT and sensors into our products to deliver real-time data to mill operators. This data covers performance metrics, wear analysis and optimization insights for mill operations.

### Sustainability at Tega

Tega is committed to engineering flawless solutions that enrich the future of mining.

Today, the mining industry faces a challenge for disposal of wear products in an environmentally sustainable fashion. Our R&D team has developed a clean process of recycling polymer liners using technology developed in-house.

### Digital Integration

Our ongoing commitment to digital transformation and integration is a key aspect of our strategy. By investing in cutting-edge technologies and data-driven solutions, we seek to optimize our operations and enhance efficiency. These endeavours enable us to amplify our value proposition to our customers. Our pursuit of technological advancements has led to the second phase of Industry 4.0. This initiative not only strengthens our position as an industry leader, but also supports our vision of delivering innovative, high-quality products and services.

### Acquisition

In February 2023, when we acquired McNally Sayaji Engineering Limited, now known as Tega McNally Minerals Limited (McNally), our intent was to expand our engineering solutions beyond consumable products and towards equipment manufacturing. Our long-term Strategy is to transform the Company to be a global leader in innovative, sustainable, flawless engineering solutions that enrich the future of mining. I am happy to share that the integration of Tega and McNally is progressing smoothly, in line with our expectations. TMML is now partnering with EPC contractors to execute turnkey projects and recently as part of a consortium has secured a major contract with India's largest iron ore producer.

### Environment Health & Safety

We believe that a safe and healthy work environment is a pre-requisite for ensuring employee well-being and adopting best practices in occupational health & safety bears a direct impact on overall performance. This year we launched

the Company's Environment, Health & Safety (EHS) handbook with strategies directed towards achieving the greenest as well as safest operations across all your Company's units, for employees, contractors, communities and customers.

Conducting business with integrity and adherence to applicable laws in the countries we operate, is our solemn pledge. Every member of our team is entrusted with the responsibility of upholding compliance, adhering to a zero-tolerance policy championing corporate governance, integrity, ethics and values. In addition to our commercial endeavours, we take immense pride in our impactful social projects, encompassing the establishment of provision of education, skill development and contribution to environmental conservation efforts.

With our empowered performance culture, our 2,200+ colleagues worldwide have achieved record results by going above and beyond to deliver advanced solutions to our customers. We are dedicated to attracting the best talent and nurturing an inclusive, winning, high-performance culture rooted in continuous improvement. Our initiatives have been well recognized and this year to start with, two of our operations - India and Australia have been certified as "Great Place to Work".

By accelerating growth, expanding our range of engineering Solutions, being a leader in sustainability and innovation, we are transforming and delivering superior performance.

Thank you for your encouragement and support in our journey.

### Mehul Mohanka

Managing Director and Group CEO

# A RESILIENT, VALUE-ACCRETIVE BUSINESS MODEL

## KEY PERFORMANCE INDICATOR → VALUE CREATION PROCESS → OUTCOME

**Financial Capital (₹ in Million)**

**₹ 15,149** Total Revenue

**₹ 1,939** PAT

**22.3%** Operating EBITDA Margin

**Manufacturing Capital**

**3** R&D Facilities

**10** Manufacturing Facilities

**Intellectual Capital**

**INDUSTRY 4.0** Implemented

**Human Capital**

**1059** Total employees

**5.6** Average man-days of training per employee

**Social and Relationship Capital**

**2,266 INDIVIDUALS** Impacted directly through educational projects

**6,000** Plantation being done at Sundarban area and in plant peripheries

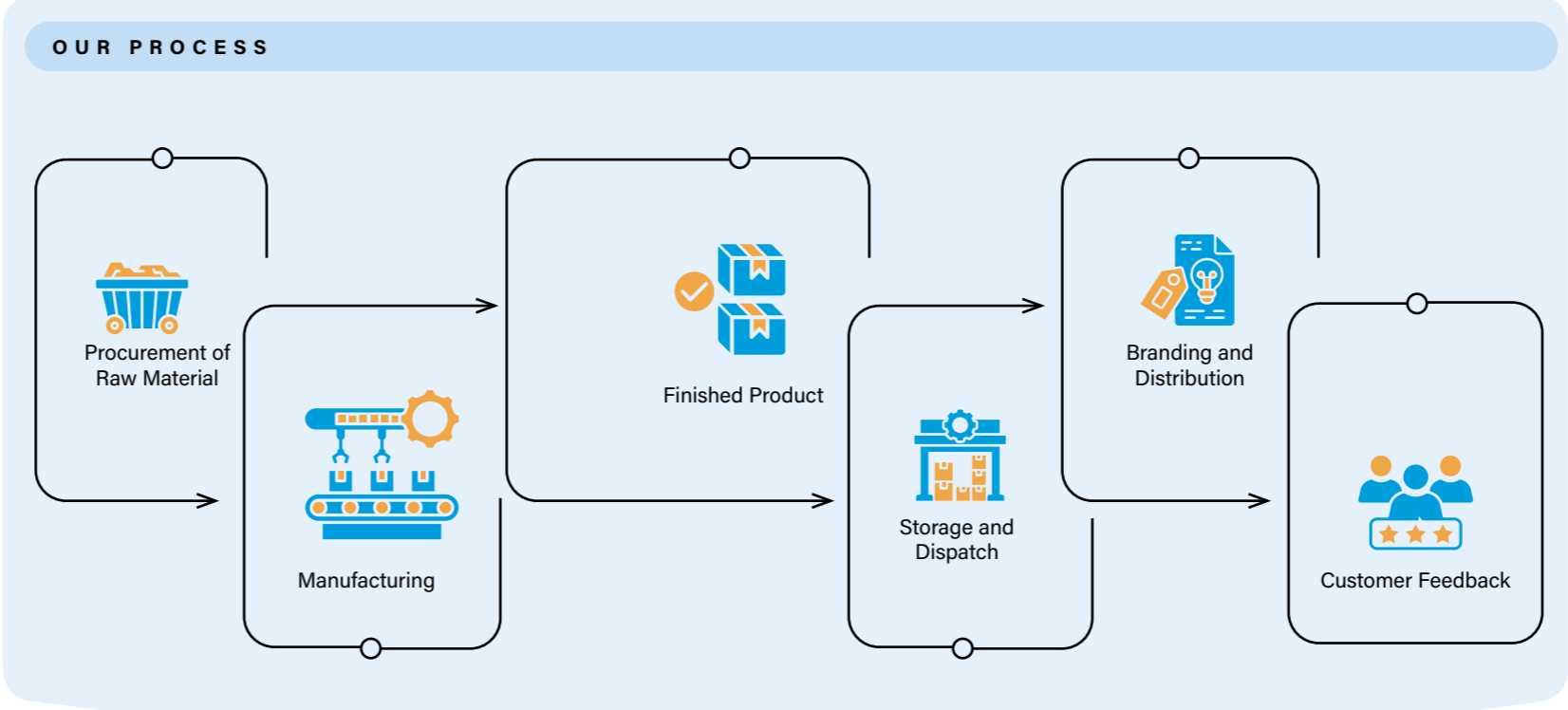
**Natural Capital**

**500 KWP** solar power plant is being set up at Samali

**140 KWP** Solar power plant under development at Kalyani

**OUR STRATEGIC PILLARS**

- 01 Acquisitions and Alliances
- 02 People Investments
- 03 Growing Digitalization and Innovation
- 04 Marketing and communication
- 05 Environment Social and Governance Priority



**OUR STAKEHOLDER ECOSYSTEM**

- Investors and Shareholders
- Government and Other Bodies
- Vendors
- Employees
- Communities
- Customers

- ▶ Sustained long term financial growth
  - ▶ Consistent dividend pay-out
  - ▶ Increased investment in research and development
- 
- ▶ Capacity expansion
  - ▶ Diversifying product portfolio
  - ▶ Backward integration
- 
- ▶ Longer product life
  - ▶ Diminished installation downtime
  - ▶ Enhanced safety
- 
- ▶ Secure work environment
  - ▶ Improved employee productivity
- 
- ▶ High repeat customers
  - ▶ Improved vendor quality standard
  - ▶ Increased community outreach
- 
- ▶ Improved air quality
  - ▶ Minimized GHG emission
  - ▶ Reduced demand for freshwater
  - ▶ Circular economy
  - ▶ Recycle products



# ENGAGING WITH ALL STAKEHOLDERS

We interact with all stakeholders through various means round the year to gather their insights and integrate their thoughts into our overall strategy and execution model



## Driving Stakeholder participation flow



<b>Frequency of engagement</b> Ongoing Quarterly Event based	<b>Capitals</b> Financial Capital Human Capital Social and Relationship Capital Intellectual Capital Natural Capital
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<b>OUR EMPLOYEES</b> SDG 	<b>What matters to our employees:</b> <ul style="list-style-type: none"> <li>Healthy inclusive work environment</li> <li>Fair compensation</li> <li>Professional development opportunities</li> <li>Challenging and impactful work</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Career development</li> <li>Safety and well-being</li> <li>Equal opportunity</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Frequent internal communication</li> <li>Employee engagement initiatives</li> <li>Training and development programs</li> <li>Employee satisfaction survey</li> </ul>
Frequency of engagement	Capitals interlinkage		

<b>OUR INVESTORS AND SHAREHOLDERS</b> SDG 	<b>What matters to our investors and shareholders:</b> <ul style="list-style-type: none"> <li>Delivering sustainable shareholder value</li> <li>Leading in ESG practices</li> <li>Long-term and short-term financial viability</li> <li>Building trust through transparency</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Long-term growth</li> <li>Sustainable financial performance</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Quarterly investor calls and presentation</li> <li>Annual report</li> <li>Press release.</li> <li>Website updates</li> <li>Stock exchange releases.</li> <li>Investor analysts meet</li> </ul>
Frequency of engagement	Capitals interlinkage		

\*The interlinkage of the SDGs with stakeholders signifies their contribution towards achieving these sustainability goals.

<b>OUR VENDORS</b> SDG 	<b>What matters to our vendors:</b> <ul style="list-style-type: none"> <li>Mutually beneficial partnership</li> <li>Optimizing project delivery</li> <li>Ensuring timely payments</li> <li>Competitive pricing</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Long term business opportunities</li> <li>On-time payments Quality of work</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>E-mails</li> <li>Site Visits</li> <li>One-to-one Interactions</li> <li>Business partner survey</li> <li>Regular structure meetings</li> </ul>
Frequency of engagement	Capitals interlinkage		

<b>OUR CUSTOMERS</b> SDG 	<b>What our customers care about:</b> <ul style="list-style-type: none"> <li>Quality of product</li> <li>Efficient and satisfactory after sales service</li> <li>Providing value for money</li> <li>Enhancing cost effectiveness</li> <li>Total cost of ownership</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Quality and service</li> <li>Enhancing customer experience and satisfaction</li> <li>Complaint resolution</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Websites</li> <li>Press release</li> <li>Customer survey</li> <li>One-on-one interactions</li> <li>Help desk</li> </ul>
Frequency of engagement	Capitals interlinkage		

<b>GOVERNMENT AND OTHER BODIES</b> SDG 	<b>What matters to Government and other bodies:</b> <ul style="list-style-type: none"> <li>Timely and accurate data.</li> <li>Compliance with industry norms, laws and regulations</li> <li>Employment generation</li> <li>Contribution to fiscal revenue through tax payment</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Product safety assurance</li> <li>Adherence to all labour laws and ensuring implementation of human rights</li> <li>Compliance, governance and risk mitigation</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>Reports</li> <li>One-on-one Interaction</li> <li>Events</li> <li>E-mails</li> <li>Letters</li> </ul>
Frequency of engagement	Capitals interlinkage		

<b>OUR COMMUNITIES</b> SDG 	<b>What are the aspirations of our communities:</b> <ul style="list-style-type: none"> <li>Job creation</li> <li>Skill development</li> <li>Healthcare</li> <li>Education</li> <li>Women empowerment</li> </ul>	<b>Key Concerns</b> <ul style="list-style-type: none"> <li>Community development</li> <li>Livelihood generation</li> <li>Supporting underprivileged section through CSR activities</li> </ul>	<b>How we engage:</b> <ul style="list-style-type: none"> <li>CSR activities</li> <li>Collaboration with NGOs</li> <li>Focus group Discussions.</li> <li>One-on-one Interactions</li> <li>Media</li> </ul>
Frequency of engagement	Capitals interlinkage		

\*The interlinkage of the SDGs with stakeholders signifies their contribution towards achieving these sustainability goals.

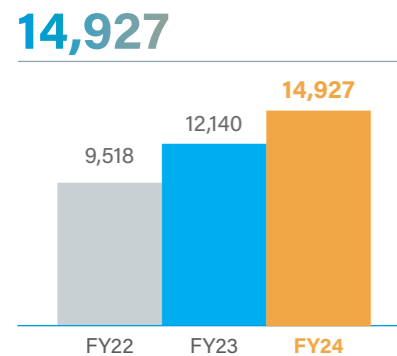
# FINANCIAL HIGHLIGHTS

Our revenue has experienced a notable increase, primarily fueled by the surge in domestic sales and robust demand across various regions.

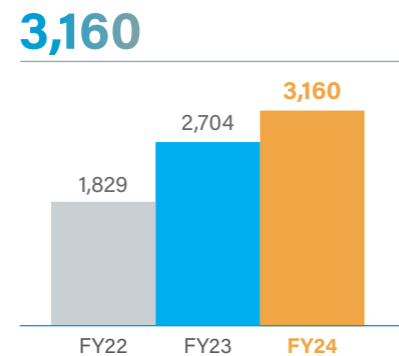
Looking ahead to fiscal 2024, we anticipate further growth in our group revenue, supported by a strong order book and additional revenues resulting from the ramp-up of Tega McNally Minerals Ltd (TMML). Our revenue has expanded significantly, a considerable portion of this growth can be attributed to the integration of TMML, which, despite contributing to our top-line growth, operates with comparatively lower margins.

## Creating value in FY24

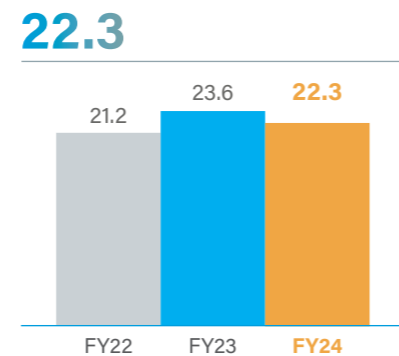
**Revenue from operations**  
(₹ in Million)



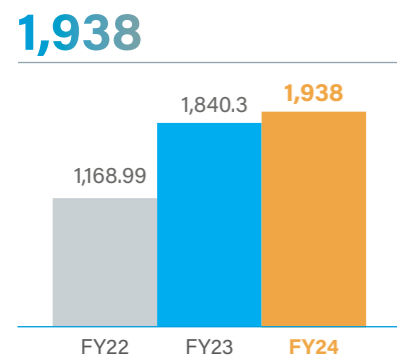
**Operating EBITDA**  
(₹ in Million)



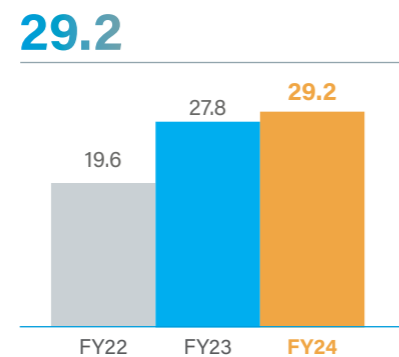
**Operating EBITDA margin**  
(%)



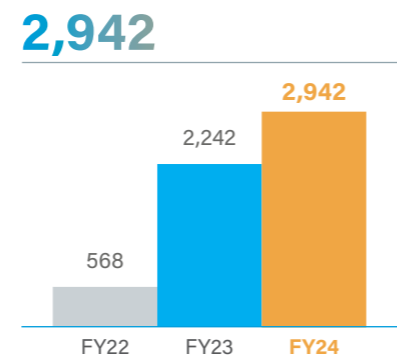
**Profit after Tax**  
(₹ in Million)



**Earnings Per Share (EPS)**  
(₹)

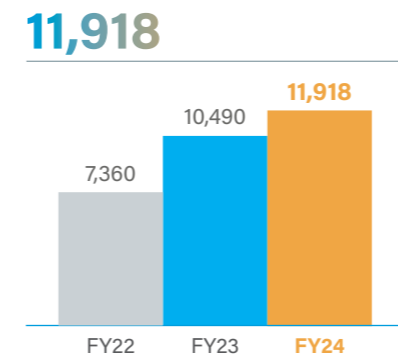


**Cash from Operations**  
(₹ in Million)

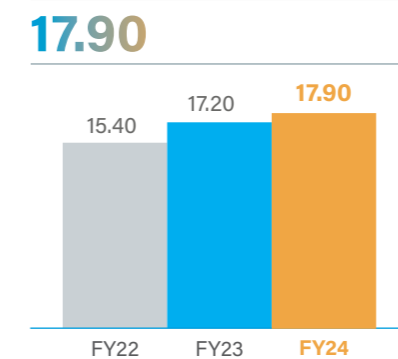


## Strong liquidity

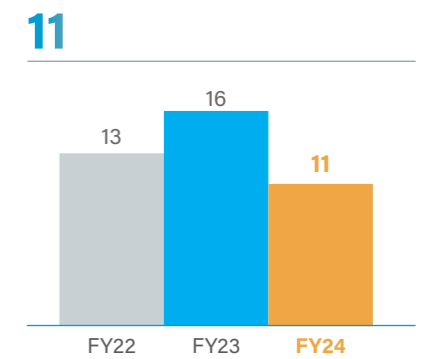
**Net worth**  
(₹ in Million)



**RoCE**  
(%)



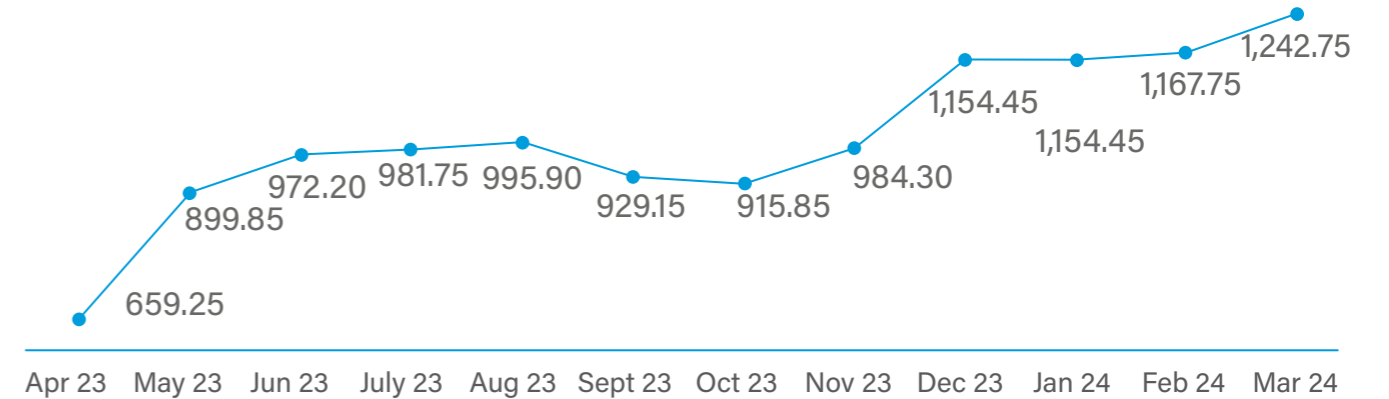
**Interest cover**  
(times)



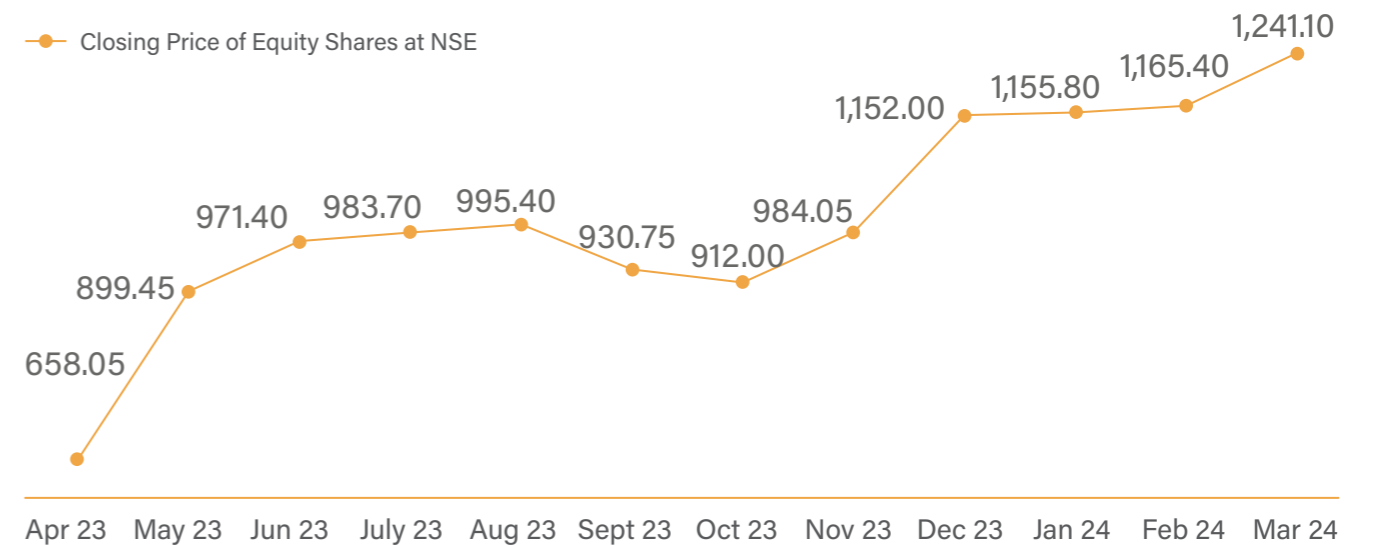
## Share price movement

(₹)

● Closing Price of Equity Shares at BSE



● Closing Price of Equity Shares at NSE





# ENRICHING OUR VALUE-ADDED PRODUCTS FOR DIVERSE NEEDS

We offer a diverse range of value-added solutions designed to meet the evolving needs of our customers.

With a relentless focus on innovation and customer satisfaction, we have curated a portfolio that encompasses cutting-edge products across various industries. From wear-resistant materials to advanced conveyor components, our offerings are engineered to enhance efficiency, durability and performance in the most demanding applications.

## Mill Liner Products

Tega DynaMax® mill liner portfolio encompasses a wide range of innovative solutions tailored to meet the diverse needs of mineral processing customers. A key aspect of this demand involves optimizing the performance of large Semi-Autogenous Grinding (SAG) mills, which play a crucial role in ore processing. Whether it is enhancing grinding efficiency, extending service life, or improving safety, Tega DynaMax® mill liners are designed to deliver superior performance and value across various grinding mill applications. Tega DynaMax® mill liner range comprises of DynaPrime®, DynaPulp®, DynaSteel® and DynaWear®.



Mill liner product

### Benefits of DynaPrime®

Reduced life cycle cost	Extended Lifetime	Increased Mill availability	Improved Operational Efficiency
Tega DynaPrime® has delivered significant reductions in specific energy consumption in milling operations (up to 5%) at different sites, leading to substantial cost savings for customers.	Tega DynaPrime® has not only optimized the milling processes, but has also extended its overall lifespan. We have seen an increase in its wear performance of up to 50%. This remarkable improvement has not only translated to reduced maintenance costs, but also contributed to enhanced equipment reliability and productivity.	Tega DynaPrime® simplifies the installation process by using fewer and larger liner segments, reducing installation time and effort. This streamlined installation minimizes scheduled downtime for maintenance and liner replacement, maximizing the mill's operational availability.	Tega DynaPrime® can quickly bring equipment to run at full operational capacity. This was successfully done at one customer site in Chile where the ramp-up period was reduced from original 26 days to 10 days after implementing DynaPrime® solution into the mill.

## Aggression® Range Products

Our products in this category include engineering and production of wear as well as flow consumables for Chutes, Hoppers, Silos in mineral beneficiation, mining, Bulk Solids handling industry. We offer a wide range of customized abrasion, wear resistant, flow promoting products and services as per customer-specific applications.

We customize and improve the performance as well as throughput of an existing part or product no matter what the size and specification of use for Bulk Material handling & mineral processing application. It comprises Aggression® Rubber range of liners, Aggression® Ceramic range of liners, Aggression® Composite range of liners, Aggression® Flow-promoting range of liners, DuroTek® Chutes, Thunder Air Blaster and Aggression® ZETA PRIME Liners



Tega Mill feed chute

### Benefits

#### Enhanced Material Flow

Our solutions promote smoother material flow, minimizing jamming and blockages in the transfer as well as storage points.

#### Extended Equipment Life

Our wear-resistant liners protect transfer chutes, storage equipment and process equipment, reducing degradation as well as extending their lifespan.

#### Increased Process Equipment Availability

By minimizing downtime due to wear-and-tear, we ensure the equipment remains operational for longer periods.

## Conveyor Components Products

Conveyor belts are used for bulk material handling, but spills can threaten both profitability and the environment. We provide high-quality solutions through our range of innovative products. With a wealth of experience with 20,000+ conveyors, we offer a comprehensive solution to overcome these spillage threats. Our major products include Ultimo Spill-Ex®, Friflo®, Impact Beds, JUMBO and Centrax® tracker.



Conveyor components

### Benefits

#### Minimize Spillage

From loading to discharge, our innovative solutions effectively address spillage issues throughout the entire conveyor system.

#### Reduced Maintenance

By minimizing belt sway and ensuring smooth operation, we help in reducing maintenance costs.

#### Enhanced Cleaning

Additional accessories further contribute to minimizing spillage and maintaining a clean conveyor system.

#### Improved Safety

Reduced spillage minimizes safety hazards and creates a safe work environment for our employees.

### Screen panels

We are a leading manufacturer of screens and screening services, offering a comprehensive range of Tega OptiScreen solutions to meet the specific needs.



Screen panels

Benefits			
<p><b>Enhanced Screening Efficiency</b></p> <p>Our innovative screen panels are designed to maximize separation accuracy. This translates to higher quality output and potentially increased yields.</p>	<p><b>Reduced Downtime and Maintenance</b></p> <p>Our screens are built to endure tough operating conditions, minimizing clogging and wear-and-tear. This translates to less downtime for screen replacements and maintenance, keeping the operations running smoothly.</p>	<p><b>Energy Consumption Optimisation</b></p> <p>Certain panels are designed to minimize energy consumption throughout the screening process. This can lead to significant cost savings on the energy bills and contribute to a more sustainable operation.</p>	<p><b>Versatile Solutions for Diverse Applications</b></p> <p>We offer a variety of screen panel configurations to perfectly match with the material types, wet or dry environments and specific screening goals.</p>

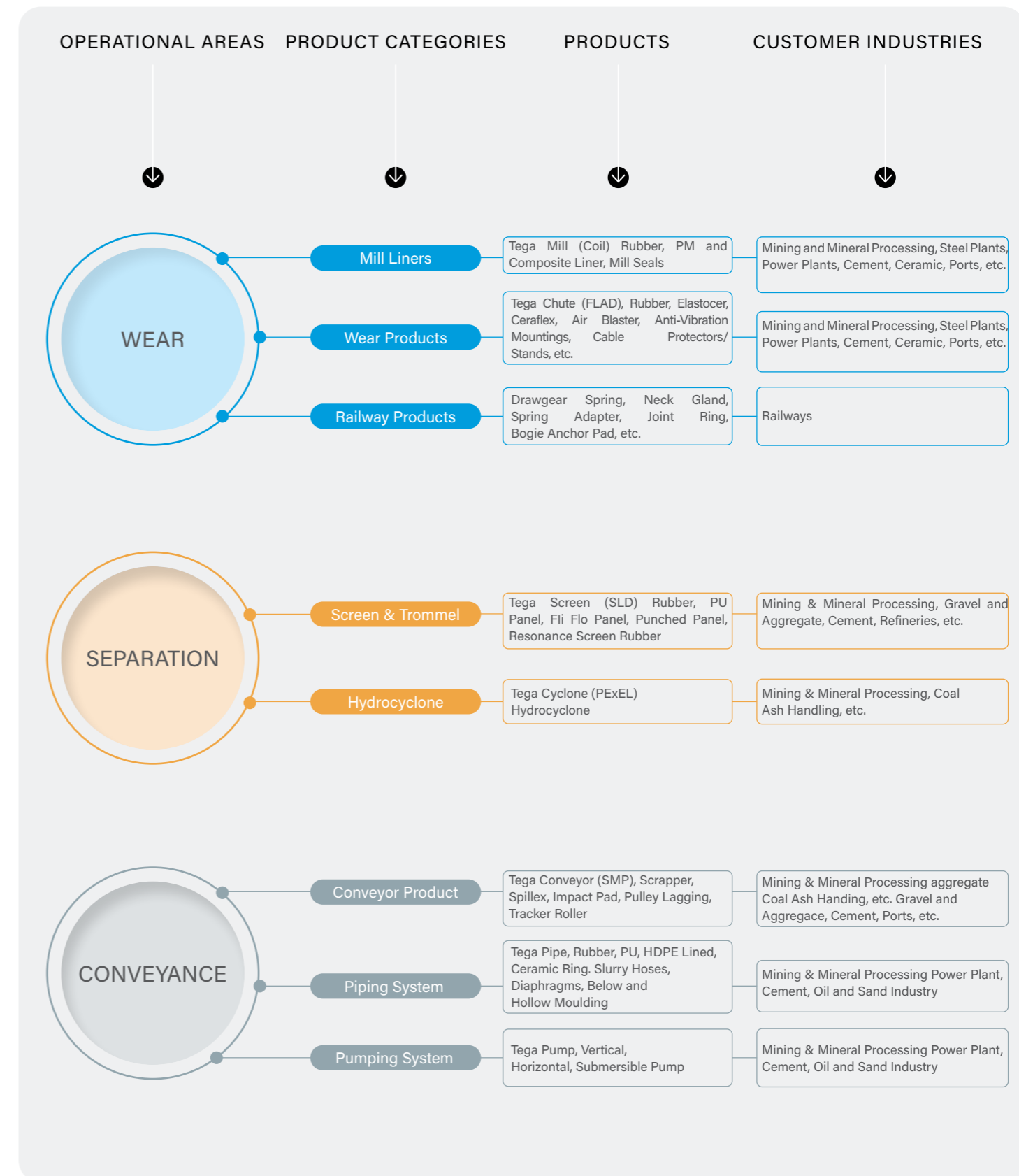
### Trommels

We are a leading provider of trommels, offering the innovative range for various needs. These custom designed trommels are ideal for both heavy and light-duty applications, particularly following SAG and ball mills.



Trommels

Benefits		
<p><b>Unmatched Screening Performance</b></p> <p>Our cutting-edge design, high-quality components ensure exceptional screening efficiency, minimizing clogging, maximizing the quality and yield of the screened materials.</p>	<p><b>Extended Trommel Lifespan</b></p> <p>Built with durability in mind, Tega trommels utilize robust materials and advanced engineering to deliver an extended operational lifespan, minimizing replacement costs.</p>	<p><b>Reduced Downtime and Optimized Operations</b></p> <p>Through advanced analysis and modeling techniques, we can precisely predict the lifespan of the trommel. This allows for proactive maintenance scheduling during planned shutdowns, preventing unexpected downtime and optimizing productivity.</p>





# GROWING SUSTAINABLY THROUGH A PRUDENT ACQUISITION

McNally Sayaji Engineering Limited, was a name synonymous with engineering excellence since 1943, has been a cornerstone of India's industrial landscape for generations.

The acquisition of McNally by Tega has been a significant milestone for us in our journey of growth and sustainable value creation for stakeholders. It is our first acquisition in India and the fourth globally.

McNally brings a wealth of experience and innovation in the manufacturing and marketing of crucial equipment such as Crushing & Screening, Grinding, Material Handling and Mineral Processing.

**11%**  
Increased Revenue

**111**  
New employees hired

This has helped us in enhancing our range of products, catering to a more comprehensive set of customer requirements. McNally's established after-sales service strengthens our ability to provide exceptional customer support. This acquisition ensures a readily available supply of spare parts for all our products.

**354 BPS**  
Operating EBITDA increased

## Our Transformation



### Aftermarket

Leading manufacturer and distributor of specialized **'critical to operate'** and recurring consumable products.



### Backward Integration

Integrated backward by supplying not just consumables, but also manufacturing innovative and sustainable **mineral processing equipment**.



### Building a Comprehensive Solution

By offering equipment, consumables and after-sales service, we transformed into a **comprehensive solution from capital equipment to consumables**.

### The impact

- ▶ Increased market share potential by entering the equipment market.
- ▶ Gained a competitive advantage as a complete solution provider.
- ▶ Enhanced value proposition for customers leading to potential growth.

## Acquisition Driver: Synergies and Backward Integration

Synergies	Positive outcomes
<b>Market Strength</b>	McNally's strong brand recall in India complements Tega's established global presence, creating a market leader with wider reach.
<b>Tailored Customer Solutions</b>	By integrating our engineering capabilities, we can now design both mills and liners. This allows us to leverage our expertise and provide customized solutions that meet specific customer requirements.
<b>Engineering Expertise</b>	Our positioning as an 'engineering-centric organization' strengthens our market recall and increases traction for our engineered products.
<b>Financial Performance</b>	The improvements in margins can be attributed to strategic pricing of engineered products and cost-minimization measures.

## Backward Integration

We have taken a significant step forward by acquiring Tega McNally, enabling us to implement a strategic backward integration process. Previously, Tega Industries focused on manufacturing liners, but now Tega McNally, within our Group, also manufactures ball mills. This backward integration expands our total addressable market considerably.

Following the acquisition, we can now offer customers a wider range of solutions, from essential consumables to complete processing equipment. We are leveraging our existing resources within the Tega Group to drive expansion worldwide.

## Key Focus Areas

Following the McNally acquisition, in the first year we prioritized establishing a strong foundation for future success. We concentrated on integrating McNally's four previously independent manufacturing units into a cohesive whole. To optimize resource allocation and production, we shifted from individual unit ordering to centralized company-level ordering.

We aimed to specialize each unit in specific products, eliminating redundancies and creating a more efficient production flow. Significant emphasis was placed on strengthening the quality and engineering departments to support our focus on selling engineering products.

## Next Frontier

After acquiring McNally, we strategically reallocated resources to better support their equipment-focused operations. Quality assurance and engineering teams have become central, ensuring product design excellence and adherence to high standards.

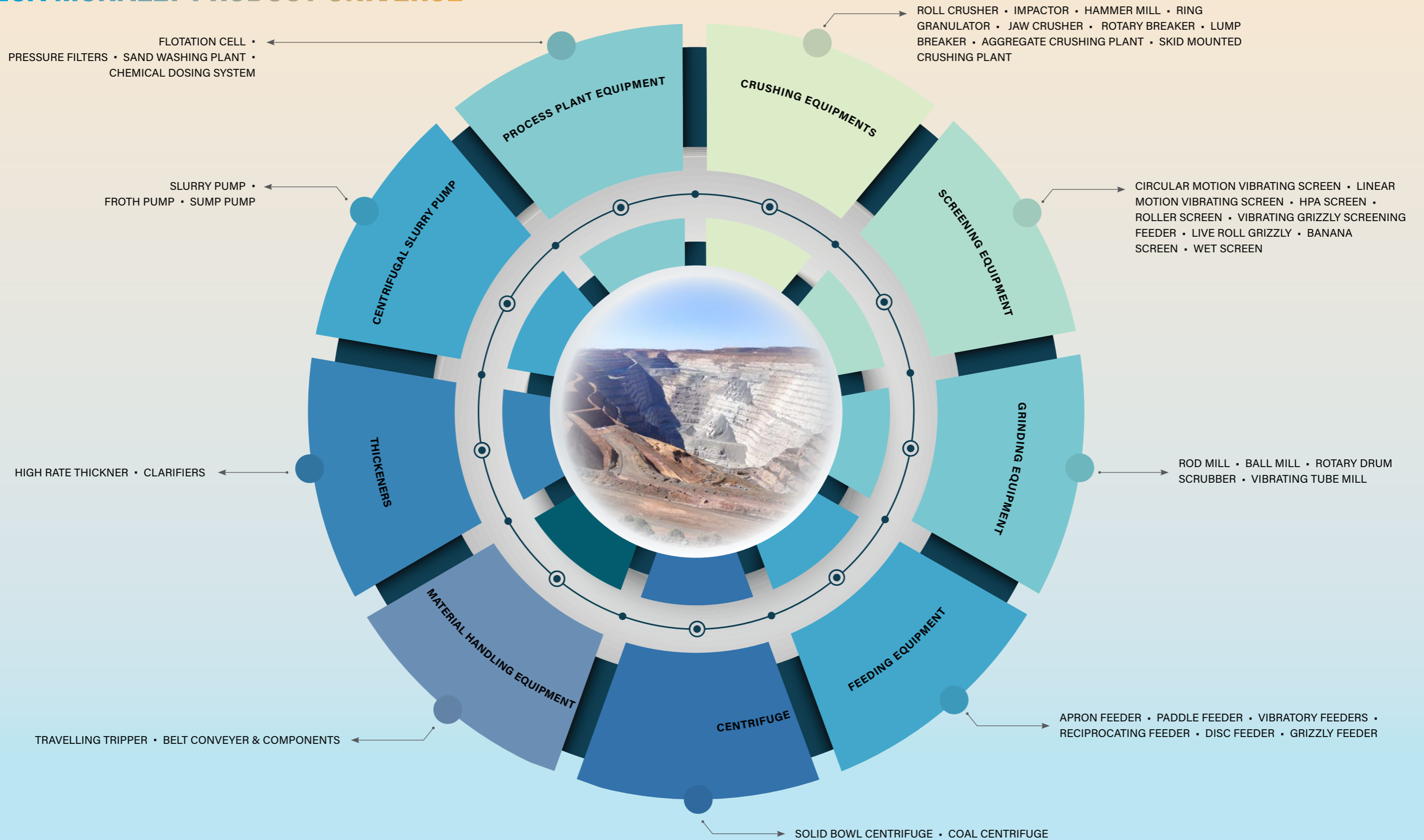
Our sales team has also sharpened its focus on customer retention and expansion. The team is now actively monitoring installed equipment and nurturing long-term business relationships to drive revenue growth.

Our acquisition plan includes a potential allocation of ₹ 15-20 Crores over the next 2-3 years. These investments will be prioritized based on their potential return on capital employed over the medium to long term.

## Outcomes achieved

We have become a more relevant partner of our customers by fulfilling a larger proportion of their requirements. By offering both equipment and consumables, we can cater to their diverse requirements and unlock new business possibilities. With in-house mill and liner design, we can optimize product development through collaborative R&D. This results in superior products that deliver greater value.

# TEGA MCNALLY PRODUCT UNIVERSE



# PROVIDING A COMPREHENSIVE SOLUTION THROUGH OUR EQUIPMENT LINE OF PRODUCTS



## Grinding Mills

TMML's Grinding Mills plays a critical role in the mining operation by facilitating the liberation of valuable minerals from the ore. Grinding Mills play a critical role in the preparation of the ore for final processing and extraction. TMML's Grinding Mills are large rotating cylinders that are driven by an electric motor and sophisticated control systems to give customised size reduction by controlling the impact abrasion and attrition. Key features include integral cast mill heads, trunnions, liners and self-aligning babbitted mill bearings with oil lubrication. Supported by a reliable drive system like ball and rod charging mechanisms, our Grinding Mills ensure high performance, efficiency & durability. TMML offers versatility with Ball Mills, Rod Mills and options for Semi-Autogenous and Autogenous Mills

### Benefits

- ▶ **Optimized Process Efficiency:** Ensures optimized material processing with a balanced combination of compression, impact and abrasion, enhancing overall process efficiency and throughput by using sophisticated inhouse and renowned software like JKSimMet.
- ▶ **Enhanced Safety Features:** Incorporates efficient sealing arrangements and safety enhancements, minimizing risks of slurry leakage during wet grinding operations, thereby promoting a safer working environment.
- ▶ **Advanced Wear Resistance:** Utilizes wear-resistant components such as rubber liners and high chrome or manganese steel mill shell liners, reducing wear and tear and maintenance costs over the equipment's lifecycle.
- ▶ **Tailored Operational Flexibility:** Offers customizable configurations and optional accessories like ball and rod charging mechanisms, providing flexibility to adapt to varying operational needs and applications



## Crushers

TMML offers a comprehensive range of crushing equipment designed to address diverse industrial needs. Our product line includes roll crushers for efficient size reduction, impactors for breaking down softer ores and hammer mills for pulverizing materials. We also provide ring granulators for granulating materials, jaw crushers for primary crushing of hard materials and rotary breakers for handling large feed sizes. Our lump breakers are perfect for reducing large lumps, while our aggregate crushing plant and skid-mounted crushing plant with twin roll lump breakers deliver integrated processing solutions. Each piece of our equipment is engineered with advanced technology and durable materials to ensure superior performance and reliability in demanding environments.

### Benefits

- ▶ **Versatile Processing:** Our crushers are designed to handle a wide range of materials and processing requirements, from hard ores to softer materials, providing flexible solutions for various industrial needs.
- ▶ **Durable Construction:** Built with advanced technology and durable materials, our crushers offer long-lasting performance and reliability, even in the most challenging environments.
- ▶ **Efficient Size Reduction:** Our equipment ensures efficient size reduction and effective processing, optimizing material handling and improving overall productivity.
- ▶ **Enhanced Performance:** Each crusher is engineered to deliver superior performance, including high throughput and consistent output, contributing to more efficient and effective operations.

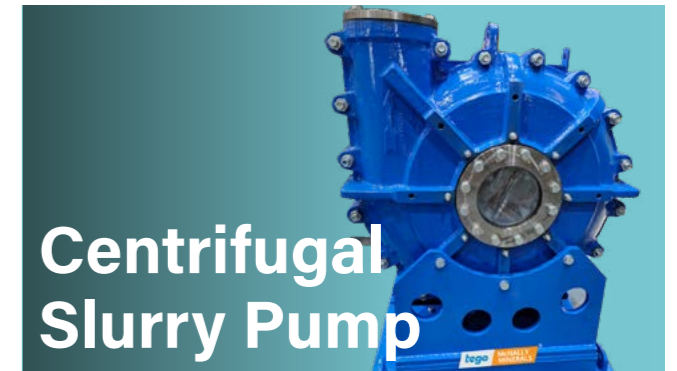


## Solid Bowl Centrifuge

TMML's Solid Bowl Centrifuge is a high-efficiency solution for solid-liquid separation, featuring a co-current flow principle that extends sedimentation time and enhances dewatering through G-Force. Separate scroll drive and low power consumption optimize cake dryness and minimize wear. It offers superior dewatering efficiency, minimal flocculant use and a compact design.

### Benefits

- ▶ **Easy to Operate:** Our Solid Bowl Centrifuge interface is easy to operate. The unit can be used with mobile operations, providing additional flexibility. Fully automatic with minimal operator attention required.
- ▶ **Ease of Maintenance:** Easy maintenance on site due to simple replacement of wearing parts. Fast assembly and disassembly of rotor and scroll reduce service and maintenance costs.
- ▶ **Superior Separation Efficiency:** Separates mixtures of different densities - typically solids and liquids - from a slurry using centrifugal force through continuous rotation. It uses a sedimentation process, where the solids have a greater density than the liquid from which they are suspended in.
- ▶ **Modern Operating Conditions:** Uses advanced innovative technology that allows to keep power consumption to a minimum, which generates further cost efficiency for the operations. Our Solid bowl centrifuges require a minimal amount of servicing for lubrication maintenance and wear and tear maintenance.



## Centrifugal Slurry Pump

Our Centrifugal Slurry Pump is engineered to manage abrasive and high-density slurries prevalent in industries such as mining, mineral processing and dredging. By employing centrifugal force from a rotating impeller, we create a low-pressure zone that effectively draws the slurry into the system. The impeller blades then propel the slurry outward, increasing its velocity and converting kinetic energy into pressure energy within the pump casing. Constructed with wear-resistant materials such as high-chrome alloys or rubber, our slurry pumps are built to withstand harsh conditions, providing exceptional durability and high efficiency in demanding applications.

### Benefits

- ▶ **Efficient Handling of Abrasive Slurries:** Specifically designed to handle abrasive and high-density slurries with ease, making them ideal for demanding applications in mining and mineral processing.
- ▶ **High Durability:** Constructed from wear-resistant materials such as high-chrome alloys or rubber, these pumps are built to endure harsh operating conditions, ensuring a longer service life and reduced maintenance requirements.
- ▶ **Superior Performance:** The centrifugal force generated by the rotating impeller allows for efficient slurry transportation by converting kinetic energy into pressure energy, resulting in high flow rates and effective handling of dense slurries.
- ▶ **Versatility and Reliability:** Centrifugal slurry pumps offer reliable performance across various applications and are adaptable to different slurry types and operational requirements, making them a versatile choice for industrial processes.





## High-Rate Thickeners

TMML's High-Rate Thickeners (HRT) are specifically designed to optimize flocculant consumption, featuring a unique feed well design and an automatic feed dilution system that ensures proper mixing of flocculant with incoming feed, facilitating effective floc formation. A deflector cone fitted beneath the feed well creates an annular gap, allowing feed slurry to exit at a designed velocity that evenly distributes the slurry across the thickener area. The thicker underflow produced by the HRT means the rake mechanism operates at higher torque levels, requiring a robust drive system and a failsafe torque sensing arrangement to protect the drive. The drive system includes a hydraulic motor coupled to a planetary gearbox.

### Benefits

- ▶ **Robust and Compact Drive System:** The combination of a hydraulic power pack and planetary gearbox provides a robust yet compact drive system, ensuring reliable and efficient operation of the thickener.
- ▶ **Optimal Flocculant Consumption:** The auto-dilution principle in our feed well tank ensures automatic dilution of the feed, maintaining a constant percentage of solids and optimizing flocculant consumption.
- ▶ **Even Feed Distribution:** The deflector cone helps distribute the feed slurry evenly throughout the thickener area, enhancing the efficiency of the thickening process.
- ▶ **Adjustable Deflector Gap:** The gap between the deflector plate and feed well can be varied depending on the application requirements, offering flexibility and adaptability to different operational needs.



## Screening machines

Our screening machines play a critical role in the mineral processing and mineral beneficiation industry by ensuring the efficient classification and separation of particles based on size. Utilizing advanced screening mechanisms such as vibration, rotary motion and high-frequency oscillation, our machines segregate materials into different size fractions, optimizing subsequent processing stages. By precisely controlling particle size distribution, our screening machines enhance the efficiency of comminution, concentration and dewatering processes. Thereby, reducing energy consumption and operational costs. Additionally, our advanced screening technology improves recovery rates of valuable minerals and ensures consistent product quality, making our screening machines indispensable for the effective and economical operation of mineral processing plants.

### Benefits

- ▶ **Enhanced Separation Precision:** Our advanced screening technology ensures highly accurate particle size separation, directly improving the efficiency and effectiveness of downstream processing stages and maximizing recovery rates of valuable minerals.
- ▶ **Operational Reliability:** Built with robust materials and engineering, our product guarantees exceptional durability and consistent performance in the most demanding conditions, minimizing unplanned downtime and maintenance costs.
- ▶ **Optimized Process Efficiency:** By delivering superior throughput and precise classification, our screening machines significantly reduce energy consumption and operational costs, enhancing overall process efficiency and profitability.
- ▶ **Adaptability and Scalability:** Designed for versatility, our screening equipment can be tailored to meet the specific requirements of different mineral processing applications, providing scalable solutions that adapt to varying feed conditions and production demands.



## Filter Press

The design of our filter press is for effective solid-liquid separation by pushing the liquid fraction of feed slurry through a permeable filter cloth. The separation process takes place within chambers formed between the recessed faces of clamped plates housed in a robust steel frame. The filter plates feature corrugated drainage surfaces and ports for slurry feed and filtrate drainage, all covered with filter cloth. We use a hydraulic ram to clamp multiple plates together, creating a series of chambers. Slurry is pumped in at high pressure, filling these chambers with solids and expelling liquid through the filter cloth. Once the chambers reach capacity, we stop the feed pumps and apply compressed air to remove residual moisture from the filter cake. When the desired moisture level is achieved, we open the filter and discharge the cake. If necessary, we can use additional membrane plates to further squeeze moisture from the cake before air blowing.

### Benefits

- ▶ **Adaptive Alignment:** The patented articulated Fixed Head can tilt up to 6 degrees, accommodating misalignment caused by dirty cloth for consistent performance.
- ▶ **Fully Automatic Operation:** Automates the entire process, reducing manual intervention and enhancing operational efficiency.
- ▶ **Efficient Cake Removal:** Features a plate shaking mechanism that effectively dislodges sticky cakes, minimizing downtime.
- ▶ **Quick and Easy Maintenance:** Includes detachable membranes and quick cloth replacement for streamlined maintenance and reduced operational interruptions.



## Flotation Cell


Our Flotation Cell is an advanced flotation device designed to optimize the separation of valuable minerals from gangue. This vertical, cylindrical unit introduces slurry and air or gas into the column, where we generate and rise bubbles through the slurry. These bubbles collect hydrophobic particles, forming a froth at the surface that contains the concentrated minerals. Our design enhances bubble-particle interaction, leading to higher recovery rates and improved concentrate grades compared to traditional flotation cells. We efficiently skim the froth off the top, while discharging tailings from the bottom, making our column flotation cell a key solution for effective processing of both fine and coarse particles in various mineral processing applications.

### Benefits


- ▶ **Enhanced Recovery Rates:** Our flotation cell's advanced design improves bubble-particle interaction, leading to higher recovery rates of valuable minerals from the ore.
- ▶ **Improved Concentrate Grades:** The efficient separation process results in higher-grade concentrates, enhancing the quality of the extracted minerals.
- ▶ **Versatile Processing:** Our flotation cell is effective in processing both fine and coarse particles, making it adaptable to various mineral processing applications.
- ▶ **Efficient Operation:** The vertical, cylindrical design ensures optimal slurry and air or gas distribution, maximizing operational efficiency and minimizing operational costs.




**WEAR PRODUCT FED CHUTE**




**TROMMELS**




**CONVEYOR COMPONENTS**




**BALL MILL**



**CRUSHER**




**CHUTE**




**TOOTHED DOUBLE ROLL CRUSHER**




**HYDROCYCLONE**




**RING GRANULATOR**




**CENTRIFUGAL SLURRY PUMP**



**MILL LINERS**



**VIBRATING SCREENS**



# OUR PRODUCTS

## CONSUMABLE AND EQUIPMENT



# GLOBAL MARKETING HIGHLIGHTS FY 2023-24

Tega's strategic initiatives aimed at enhancing its brand presence and customer relations.

Tega has refined its branding, marketing and communication efforts to maximize effectiveness across stakeholders. Tailored strategies for specific markets and consumer segments demonstrate Tega's adaptive approach to evolving trends. These activities underscore Tega's commitment to global engagement and leadership in the mining sector, fostering enduring customer relationships and strategic industry partnerships.



### Robust market position

Market analysis and market mapping

### Global presence

Participation in global events, SAG, METPLANT, EXPOSIBRAM, EXPOMIN

### Unique competencies

Technical seminars, internally through self-hosted Conclave and externally by participating during conferences, winning awards.

### Strong customer relations

Establishing through in-house seminars, factory visits, touch digital in all areas.

### Market Mapping and Analysis

Tega conducted strategic market research to identify expansion opportunities, understand customer preferences, monitor trends and assess competitors. This informed tailored brand and marketing strategies for global markets and diverse consumer segments, driving growth through data-driven approaches. Continuous monitoring ensured agility in adapting to market changes, reinforcing Tega's competitive edge and commitment to market leadership.

### Localization and Cultural Sensitivity

Tega prioritized localization by customizing messaging and branding to align with diverse customs and preferences. Market research informed adaptations in branding and communication across ads, social media and websites. Localization was integrated into product campaign development, marketing campaigns and customer engagement. By engaging diverse audiences and leveraging interactive content, Tega enhanced brand resonance and customer satisfaction, strengthening its global reputation through culturally sensitive approaches and local partnerships.

### Internal Communication

Tega has strengthened internal branding by refining processes to enhance stakeholder engagement. This includes publishing the Employee Newsletter with articles on brand values, organizational successes and employee achievements. Internal Emailers have been introduced to further promote brand values, share success stories and recognize employee contributions. Tega has also prioritized the implementation and enhancement of the Centralized Internal Communication Dashboard (CANVAS).

### Integrated Marketing Communications

Tega employs strategies across diverse channels for broad visibility. Traditional and digital ads, social media (LinkedIn, Twitter, YouTube) and improved website UX/UI drive engagement and conversions. Traditional media like magazines and digital platforms (websites, blogs, forums) enhance exposure. Participation in global industry events and sponsorships expand

the brand footprint. These efforts ensure consistent messaging and maximize engagement, reinforcing Tega's global position.

### Digital Marketing

Tega has invested in in-depth digital marketing activities to amplify brand visibility and interaction. Key strategies included optimizing SEO to improve website visibility and search engine rankings and executing targeted PPC advertising to attract high-quality leads and facilitate conversions. Content marketing established thought leadership through valuable content across platforms. Active social media engagement nurtured audience interaction and strengthened brand loyalty. Community posts and blogs broadened reach and solidified Tega's industry expertise. These efforts resulted in increased brand awareness, higher engagement and improved market positioning.

### Brand Advocacy and Customer Engagement

Tega enhances brand advocacy and customer engagement through strategic initiatives. Empowerment programs encourage customers to share positive experiences, boosting the brand's reputation. Customer feedback is analyzed for improvements and addressing concerns, ensuring exceptional service. Customer satisfaction metrics in performance evaluations align employee actions with customer-centric values. Continuous strategy refinement, informed by feedback and trends, meets evolving customer needs. Accessible feedback platforms enable easy sharing of insights. These efforts strengthen brand advocacy and foster lasting customer connections, supporting growth.

### Global Event Participation and Industry Leadership

Tega participates in global events, trade fairs, conferences and seminars to establish a strong global presence and optimize marketing efforts. Sponsorships and speaking engagements further elevate brand recognition and solidify Tega's authority in the mining sector. Involvement in events like the SAG Conference, Met Plant, Technical Conclave, Expomin 2023, Mining World, CM in Montreal and Exposibram 2023 underscores Tega's commitment to industry leadership. These activities enable Tega to conduct market research, gain industry insights, pursue leads and drive revenue growth.



# STRENGTHENING OUR CORE OPERATIONS SUSTAINABLY

Our objective is to steadily strengthen our niche in providing reliable solutions to the complexities of material handling, wear and separation of ores for mining and mineral processing industries.

With state-of-the-art facilities and a commitment to innovation, we continuously enhance our manufacturing capabilities to deliver cutting-edge solutions to our customers..

Our stringent quality assurance protocols ensure that every product leaving our facilities meets the highest standards of performance, reliability and durability. By integrating advanced technologies and industry-best practices, we not only optimize efficiency, but also guarantee the consistency and superiority of our offerings.

### Robust Manufacturing Capabilities

We are a leading manufacturer of polymer-based steel composite mill liners, a critical component used in mineral processing. We operate six strategically located manufacturing facilities worldwide, with three in India and others in major mining regions such as Chile, South Africa and Australia.

We are serving our customers efficiently and adapt to global market fluctuations. Our facilities are situated near key mining

and industrial hubs, ensuring economies of scale, logistical advantages and reliable product availability for our customers.

We offer end-to-end manufacturing capabilities, including design, process engineering and in-house facilities equipped with advanced machinery. This comprehensive approach allows us to provide customized solutions that perfectly meet the specific needs of our clients for various ores and mineral processing applications.



Dahej Plant, Gujarat





### Consistent Quality Control

We have well-documented and institutionalized Standard Operating Procedures (SOPs) for each product category, ensuring consistency and quality throughout production. The emphasis is on maintaining the highest level of accuracy by regularly checking and calibrating all manufacturing equipment, control devices and testing tools.

We meticulously monitor and verify various process parameters throughout the production process. This includes ensuring proper degreasing, surface preparation, cleaning, texture, priming and adhesive application with precise viscosity and film thickness.

### Quality Assurance Team

Our dedicated QA team performs frequent checks on processes and product specifications, adhering to documented QA plans developed by our technical specialists. Only finished products that pass our QA team's final inspection and meet industry standards are released for finishing and dispatch. Every stage of the manufacturing process involves thorough inspections of both individual components and the final product, following our stringent Quality Assurance (QA) procedures.

### Reliable Supply Chain

We prioritize a strong and reliable supply chain to ensure smooth operation of our business. We focus on building long-term relationships with qualified suppliers. This stability allows us to benefit from consistent raw material quality, affordability and ready availability, even during market fluctuations. Additionally, by engaging with multiple shipping companies, we can navigate potential disruptions and ensure timely delivery to our customers.

This stability allows us to benefit from consistent raw material quality, affordability and ready availability, even during market fluctuations. Additionally, by engaging with multiple shipping companies, we can navigate potential disruptions and ensure timely delivery to our customers.

We also maintain a strategic balance between European and other global suppliers, further mitigating risk and dependence on any single source. By minimizing outsourcing and maintaining control over key processes, we can manage potential failure rates.

### Adapting to the supply chain challenges

We nimbly approach the ever-emerging complexity of managing global supply chains. To mitigate risks, we strategically diversify our supplier base across various geographical regions. We have faced challenges due to disruptions originating because of the Ukraine war followed by the conflict in the Middle East. This affects incoming supplies as well as ongoing supplies.

We have addressed these challenges by:

#### Recalibrating sourcing strategies

We continuously adapt the sourcing plans to anticipate potential disruptions, particularly for non-commodities like castings.

### Developing domestic suppliers

We have built relationships with reliable domestic vendors for critical parts like castings, reducing reliance on international suppliers

### Building relationship with suppliers

We prioritize building long-term, collaborative relationships with our suppliers. We continuously update our vendors about projected business growth and expectations in terms of volume of supplies. We ensure transparency by sharing future growth plans with vendors well in advance. This allows suppliers to proactively invest in expanding the capacity and capabilities to meet the growing needs. We support smaller vendors, offering guidance and assistance to help them build the skills and capabilities necessary to meet the requirements. This approach creates a sense of partnership and empowers smaller vendors to grow alongside Tega.

### Optimizing inventory and working capital

Through our agile de-risk strategies, we optimize inventory levels and working capital, ensuring efficient resource allocation.

### Supplier's assessment

At Tega, the vendor evaluation is done continuously for those vendors who are under the critical to operate category. We continuously assess their performance based on quality, cost and delivery capabilities. If any potential risks are identified, we proactively develop alternative vendors to mitigate sourcing disruptions. In the last financial year, we derisked our supply chain by establishing new vendors for castings. Furthermore, our buying strategy ensures flexibility to adapt to market fluctuations. We utilize a mix of purchase-to-stock and purchase-to-order models. In both scenarios, we leverage a combination of long-term, formula-based price agreements. This approach grants us a negotiating advantage in both rising and receding market conditions, ultimately ensuring a consistent flow of materials at optimal costs.



Tega DynaPrime® installation in Brazil.



# PRODUCT DEVELOPMENT AND INNOVATION

To capitalize on the opportunities present in the mining and mineral processing industry, Tega Industries has worked on “Smart” (Information Technology enabled) as well as “Green” (ESG focused) products across its product groups. Some of them are enumerated hereunder:

## Innovative Recycling and Circular Economy

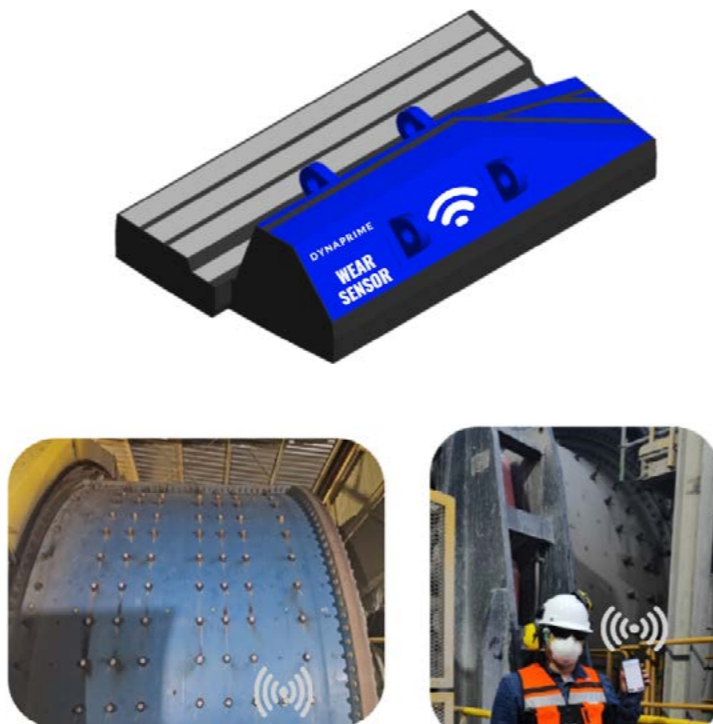
At Tega Industries, we are committed to adopting a circular economy by implementing an innovative recycling system. This system is strategically designed to align with our business objectives, with a strong emphasis on sustainability, reuse and efficiency in all our processes. Our primary goal is to reduce contamination and maximize the reuse of materials through zero-contamination recycling processes.

The Tega recycling project is a pioneering initiative that uses advanced technology to separate and recover materials from used Ball mill and SAG mill liners. The zero-contamination recycling process allows for the recovery of metallic reinforcements, high-hardness steels and rubber, which can be reused in new products or community projects. This approach eliminates environmental liabilities, reduces the carbon footprint and optimizes material use, thereby promoting a more sustainable and efficient economy.

## Wear Sensors: Continuous Monitoring and Maintenance Optimization

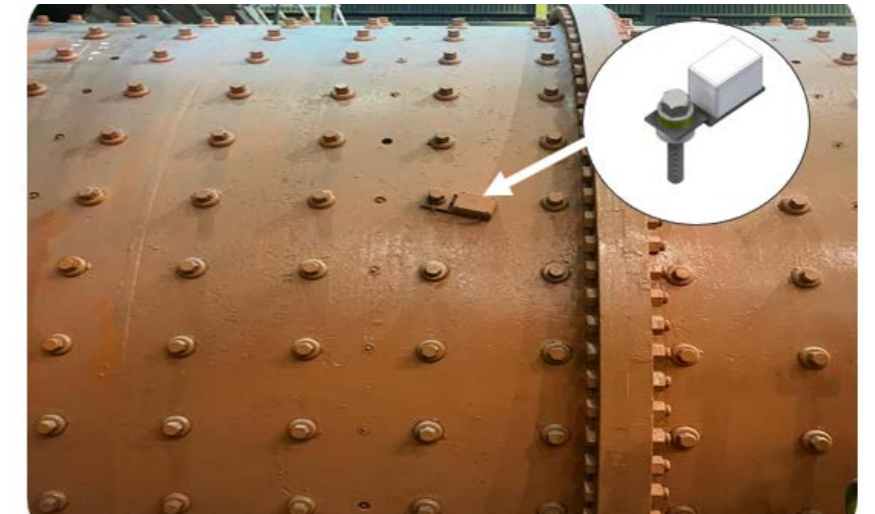
At Tega, we have developed wear sensors that allow for continuous monitoring of DynaPrime® liners without the need to stop the equipment. These sensors provide real-time information on the condition of the liners, helping to prevent unplanned shutdowns and facilitating maintenance planning.

Compatibility of the wear sensors with DynaPrime® products ensures seamless integration and its ability to select precise measurement zones within the mill allows for monitoring of the most critical areas according to specific operational needs.



## Bolt Tension Monitoring System: Integrity and Efficiency

Our bolt tension monitoring system allows for real-time evaluation of the integrity of fastenings under various operational conditions. This facilitates early detection of potential failures and helps operators make informed decisions for equipment maintenance. The system is designed to easily integrate with existing fastening systems by adding an additional washer without altering the original configuration. This ensures quick and hassle-free implementation, improving the safety and efficiency of operations. Products with this system are successfully installed in the mines at Peru and in Chile.

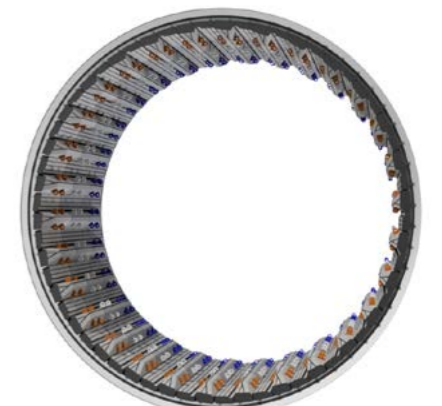


## Continuous Operational Intelligence

In our quest to enhance operational efficiency and maintenance planning, we have initiated a project for Continuous Operational Intelligence. This project integrates a variety of advanced sensors into DynaPrime® products, transforming them into intelligent products that enable continuous and detailed monitoring of mills. This includes creating a complete virtual mapping of the mill and providing real-time data without the need to stop the equipment. Compatibility with

current DynaPrime® products and the use of advanced analytics ensure that clients receive relevant indicators to improve their operations

Increase in safety, reliability, productivity and sustainability of the milling process through the incorporation of wireless technology and continuous operation of equipment.



## Reduction of Carry back in Conveyor systems

"MaxxKleen", is a programmable motor-driven system fitted under the return side of the belt in the discharge end. It helps to reduce the accumulation of carry-back by catching & collecting the fallen carry back material from the return side of the conveyor belt and transferring it back to the transfer chute along with the mainstream of materials.

Aimed at reducing manual intervention for cleaning carry-back spillage, the product

considers the site conditions and ensures maximum cleaning at the conveyor site.

MaxxKleen eliminates manual cleaning of the conveyor floor and thus reduces workers' risks and improves the safety of operation at the site. Additionally, it reduces cleanup costs and requirements for conveyor shutdown for cleaning.





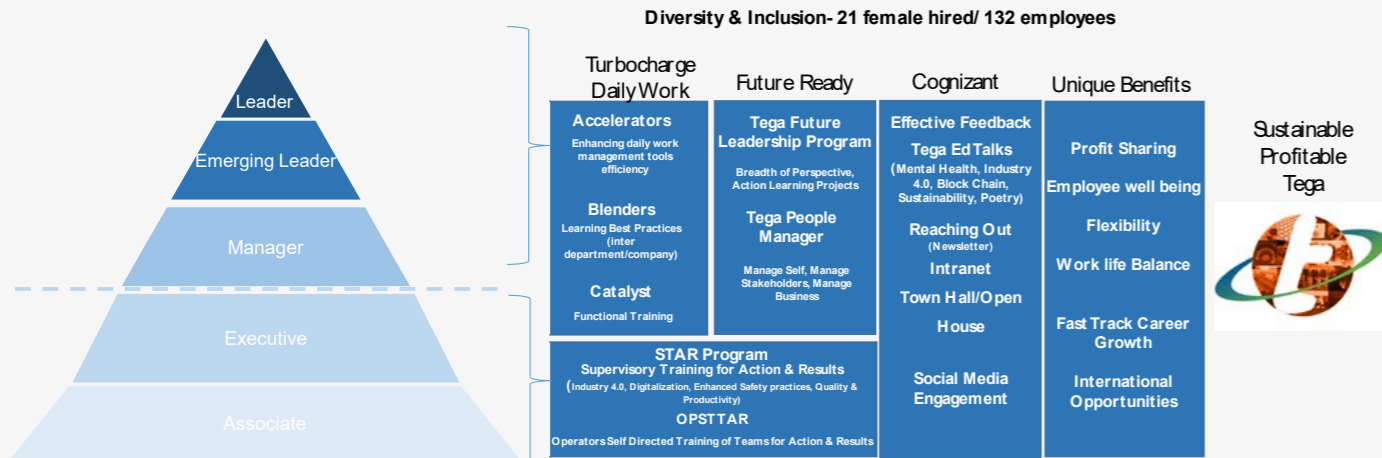
# HUMAN RESOURCE

## How Tega empowered its talent capital in FY 2023-24

### Overview

Partnerships in Practice has been the success mantra of our almost half a century young and strong organization. We have always been conscious of people and planet, while making profits.

Continuing our journey towards becoming Great Place to Work we have continued to build on our HR strategy to strengthen the organization and build teams. The guiding principles that we follow are robust structure, faster decision making, talent attraction and development, learning for new-technology adoption.



### Future Ready

To build buoyancy in the system and cater to the aggressive future growth, Tega People Manager and Tega Future Leader Programs were implemented. Additionally, groundwork has been established for providing continuous and sustained learning opportunities for all employees through the implementation of the new Learning Management System (LMS).

The Tega Future Leader Program had 22 managers and emerging leaders undergo a 6-month leadership development program at IIM-A along with working on live action learning projects. This flagship program is biennial and will focus on developing leaders for future.



The first batch of Tega Future Leaders Programme at IIM Ahmedabad

The Tega People Manager Program had 82 managers and emerging leaders undergo a 6 month People Manager Qualification Program focusing on Managing Self (Transition to People Manager, Communication with your staff, Time management), Managing Stakeholders (Defining relationships and expectations, communicating with peers and managers) and Managing Business (Developing your team, Separation, Communication organizational message).



Tega People Manager Program



STAR Program session in progress

The STAR (Supervisory Training for Action and Results) launched in Dec'22 is now into its 2<sup>nd</sup> Phase focusing on enhancing the safety, quality, productivity along with making the supervisory staff, from officers to senior engineers, ready for the ongoing digitization drive in the company. This program had over 70 graduated from the program from Phase 1 and currently, more than 130 participants are undergoing training in Phase 2.

As part of our global engagement strategy, we have actively connected with numerous campuses both in India and Chile. This initiative not only helps us attract potential talent who resonate with our culture but also allows us to explore collaborative opportunities such as internships, joint projects and research initiatives.

Following the vision of our Chairman to have supervisor less offices, we launched Tega OPSTTAR (Operators Self Directed Training of Teams for Action and Results) was conceived with focus on preparing our blue collars for future supervisory roles. The program has been planned in three phases, Phase 1 of the program includes topics like Behaviour based safety, Environment Health Safety, Safe Usage Of Machines & Equipment's, Kaizen, Advanced 5's' Implementation Program, Work Instructions & One Point Lessons.



### Family Culture

In order to improve both mental and physical health, multiple trainings on mental health (56 training man-days), diversity and inclusion (63 training man-days), safety (130 training man-days) were conducted.

All the managers were trained on empathetic communication in order to improve the quality of discussion between the manager and their teams.

Workshops on Gender sensitization, multiple sessions on POSH, launch of the

E-module on POSH ensured that there are concrete steps taken for organization wide awareness on the importance of Diversity and inclusion.

To ensure the well-being of not only our employees but also their family members, the Group Health Insurance was revised with the inclusion of parents' coverage along with Group Personal Accident Insurance. Infrastructure both at plant and office location were improved facilities like buses, guest house and canteen were

upgraded, recreational facility like carom and other indoor games were introduced, sports events like badminton, cricket and football were organized at plant locations.

Specific engagement initiatives were executed to ensure that the not only employees but their families are engaged with Tega.



Dahej Cricket Team



Chile Football Team



D&I Workshop at HO



Women's Day Celebration

### Turbo Daily Work

**Accelerators:** With an objective to increase the efficiency and reduce wastage during carrying out daily duties, a large number of employee are trained on MS office, business correspondence, mail etiquette and management, cyber security, ethics and ownership. This has accelerated the daily hours taken for work and not only improved the quality of the

output but reduced job burnout and hence improved mental health.

**Blenders:** The focus here was to learn from best practices of other departments and companies, even different walks of life to make our operations more agile, robust and sustainable. We continued with TegaEd Talks in which topics like Photography, Calligraphy etc.

**Catalyst:** Multiple focused functional trainings were conducted to upgrade the skills of the employees. Training on ANSYS, Inventor, Solidworks, Mineral Processing, Capital Budgeting, Sales Force Training etc were conducted under this section.

All this accounted for **5.6 average man-days of training per employee.**

Major impetus was put onto behavior based safety trainings along with the introduction of EHS guideline Handbook and EHS Monitoring & Resolution System to strengthen our commitment to safety.

Several training interventions have significantly impacted various aspects of our operations. Safety Awareness Trainings, Infrastructure upgrades and the Star and OpSttar Program have collectively reduced our lost time injury frequency rate from 1.14 to 0 incidents per 1 Million person-hours worked. SOP Refresher Trainings alongside improvements in safety measures. Training sessions on Knowing Your Social Styles for Better Customer Handling, Sales Leadership & Sales Force Effectiveness and Presentation and Negotiation Skills have enhanced customer relationship management, product presentations, negotiation skills and increased order bookings. The STAR (Supervisory Training for Action and Results) program has focused on enhancing safety, quality and productivity, preparing teams for digitization and fostering autonomous decision-making capabilities among supervisors. These interventions collectively highlight our commitment to continuous improvement and readiness for future challenges.

### Cognizant

In order to make all the Tegaites Cognizant with knowledge of the latest tools, technologies, trends, practices, internal company updates, related external world news existing portals and platforms were reinforced and new were created. We continued with the intervention of TegaEd Talks which covered topics not limited to Calligraphy, Photography and Financial Wellness, Parent Child Communication etc. Training on topics like Cyber Security Trainings, Industry 4.0, Design tools were conducted extensively.

Seminars on Silicone Rubber, National Conference of Corporate CS, IRMRA 24<sup>th</sup> Rubber Conference & EXPO, Recent Trends in Rubber Technology, SHRM Annual Conference, GPTW Annual Summit were attended.

HRMS platform introduced in 2023 has been used to ensure seamless onboarding experience for all new joiners. We also engaged with colleges globally to interact with the students and familiarize them with the Organization's Vision and Mission.

### Unique Benefits

There has been strong focus on improving work life balance, where the leave policy, office timings, group health insurance, group personal accident insurance were revisited to make work space more conducive for employees.

With an objective to fulfill our ongoing commitment to empower our employees with necessary tools to fulfill their duties policies like the car policy, mobile handset policy, bike policy and Domestic Travel policy were revised and communicated.

We continued to give the first choice to existing employees for all the vacancies including all offshore positions. High performing and potential employees are fast tracked.

All the interventions has helped us to get certified as Great Place to Work both for our India and Australia business. We have witnessed a substantial jump in the overall score which has lead GPTW team to write a case study on our transformational journey



Tega partnering with Jadavpur University for Annual Fest Srijan



# ENVIRONMENT

We remain focused on limiting our environmental impact and inculcate sustainable practices across our operations. It empowers us to abide by global standards and pave the path for a brighter future.

We are following National Guidelines for Responsible Business Conduct, NGBRC in order to align with India's commitment to the World Economic Forum to become net carbon neutral by 2070.

## Emission Management

We are committed to minimizing our environmental footprint through innovative emission management strategies and by addressing Scope 1, 2 and 3 emissions across our value chain.

## Scope 1 emission

Impact

### Direct

We are using LPG instead of coal and fuel oil for the boilers and furnaces installed at our manufacturing facilities. The use of LPG considerably lowers CO2 emissions and directly reduces Scope 1 emissions, generated from on-site combustion processes.

We are also using pyrolysis oil for our boiler. It is a synthetic fuel obtained through the process of pyrolysis, by extracting oil from waste rubber. This reduces reliance on fossil fuel and helps to minimize GHG emissions. This approach also promotes waste management and contributes to circular economy practices by reusing waste as a source of fuel.

## Scope 2 emission

Impact

### Indirect

We are making significant strides towards clean energy production. We are investing in both solar and wind power, demonstrating our commitment to explore options for renewable energy generation.

#### Installation of Solar Power Plants:

(in KWp)

**500**

Samali - solar power plant is being set up at Samali

**140**

Kalyani - solar power plant under development at Kalyani

**1000**

Dahej - solar power plant under consideration at Dahej.

Chile - Increasing investments for installation of solar panels and wind power projects at our new plant in Chile, South America

South Africa - Exploring the viability of solar power solutions at our South Africa facility

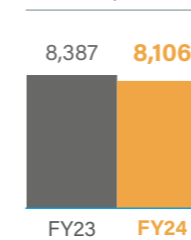
## Scope 3 emission

Impact

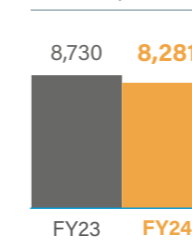
### Indirect

We are playing a significant role to augur our transition towards sustainable steel production. Through our partnership with SSAB, a frontrunner in green steel, we are enabling the production of abrasion-resistant steel, utilizing a hydrogen reduction process. This innovative method eliminates the need for coke, a significant source of CO2 emissions in traditional steel making. Furthermore, electric vehicles are being used for mining operations and our combined efforts are helping to minimize our environmental footprint across the life cycle of steel manufacturing. We are also collaborating with Indian manufacturers who are committed to promoting a more sustainable steel production ecosystem.

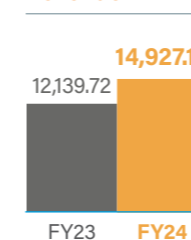
Scope 1 (TCO2Eq)



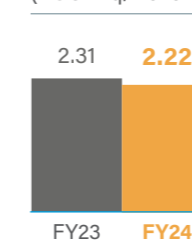
Scope 2 (TCO2Eq)



Revenue



Carbon Intensity (TCO2Eq/Revenue)



## Air quality management

We are managing air quality at our facilities to minimize our environmental impact and ensure worker safety. We currently use chimneys for exhaust from generators and boilers. To reduce emissions further, we are implementing flue gas scrubbers. These act like waterfalls, capturing solid waste and carbon particles from the exhaust, ensuring the release of clean air. The pollutants and wastewater is then treated in our effluent treatment plant. To protect the health of our workers in the fabrication shop, we

are installing fume extraction systems. These systems remove harmful fumes and dust particles, significantly improving air quality within the shop

## Water management

We are committed to becoming a net water neutral Company. We have designed sewage treatment plants (STPs) to treat wastewater from toilets and other sources. The treated wastewater is reused for gardening and horticulture. Besides, we have implemented a rainwater harvesting system that helps to collect the water and replenish the water table. By reusing rainwater, we aim to reduce the demand for freshwater.

75-80% of the water is recovered through STPs. We are exploring solutions to minimize 20-25% water loss and improve water neutrality efforts.

## Waste management

To minimize our environmental impact, we have installed effluent and sewage treatment plants for handling waste generated across all our locations. Our products are non-biodegradable and require landfills. Therefore, we are pioneering a re-cycling service which enables customers to return our products for recycling. We aim to achieve the target of manufacturing products that are 100% recyclable within the next five years. This could make us the first player in our sector to offer such a comprehensive recycling programme for customers.

We are exploring opportunities to integrate more recycled steel into our operations. The recovered steel can be used as raw material in our own production processes. By using recycled steel, we can minimize our reliance on virgin material and limit our environmental impact. Reuse of steel creates a closed-loop system that helps to minimize waste and promote resource efficiency.



# SOCIAL

We strive to build the foundation for a better tomorrow by engaging in meaningful initiatives that enable positive change within society. Going beyond business profitability, we remain committed to ensure socio-economic growth.

## Corporate Social Responsibility



**Education**  
We believe that education is key to empowering people. We prioritize expanding access to quality education for all. This includes children, adults and individuals with disabilities. Our focus extends beyond traditional classrooms, encompassing specialized programs and vocational skill development trainings. This multifaceted approach equips individuals with the knowledge and skills necessary to achieve a brighter future

**2,266 INDIVIDUALS**

Impacted directly through educational projects

### Disha India Community school

Carrying forward our commitment to promote quality education, we have added Disha India Community School, located in Padha, Haryana, to our school adoption programme.

**135**

Students enrolled

### India Autism Center Project

We supported the India Autism Center (IAC) with a CSR donation to aid individuals with autism and similar conditions in India.

### Supporting Schools at Duttapukur

Recognizing the importance of quality education in our local rural communities, we support Three Schools in Duttapukur, West Bengal.

**594**

Enrolled in Three Schools in FY 2023-24

### PACE Learning Center

We supported the establishment of the Orell Talk Language Lab at PACE Learning Centre, Piyali, to enhance language and communication skills among its students.

**264**

Students benefited at PACE learning centre



PACE Learning Center, Piyali



### Biodiversity

For the promotion of environmental sustainability and biodiversity conservation, we have launched a plantation program in the eco-sensitive zone of Sunderban, West Bengal through planting fruit trees and restoring local ponds.

**6,000**

Plantation being done at Sunderban area and in plant peripheries



Plantation site at Sunderban, W.B.

## Building Stronger Communities Around Our Facilities

### Kalyani, West Bengal

We funded computers and desks for Anne Sullivan Institute (Blind School) and provided an ambulance with oxygen facility to Gayespur municipality.

**65**

Visually impaired individuals supported at Kalyani

### Samali, West Bengal

We support education by improving school infrastructure at Angarberia F.P. School and Gazipur Primary School with essential furnitures, building repairs and toilet facilities.

**269**

Students supported at Samali

### Dahej, Gujarat

We renovated the chemistry lab at ITI Bharuch and funded a computer lab at Shree P.J. Cheda Janta Vidhyalaya, Dahej, enhancing educational infrastructure for over 150 underprivileged students.

**150**

Student benefited at Dahej



Angarberia F.P. School, Samali



Disha Foundation

# GOVERNANCE

An integral part of our organizational structure, our governance framework, enables a unified approach to strategy, sustainability, risk management and performance evaluation in every aspect of our business. Under the direction of the Board, we continue to concentrate on a methodical and cohesive approach to sustainability and governance issues.

We strive to be transparent and prioritize open communication with stakeholders. It not only enables us to foster trust, but also paves the path for consistent growth.



**100%**

Attendance of independent directors in all the board meeting

**95.83%**

Average attendance of entire board of directors



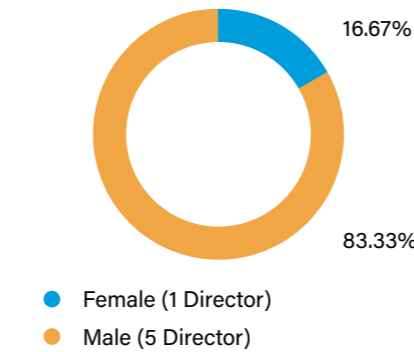
The Average Tenure of the Board is 16 Years. The Executive and Non-Executive Directors have been associated with the Company for more than 16 years. The Independent Directors have a fixed term of Office as per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015.

Sl. No.	Name of the Directors	Date of Appointment on the Board	Tenure of the Directors associated with the Company
1	Mr. Madan Mohan Mohanka	May 15, 1976	48 Years
2	Mr. Mehul Mohanka	June 6, 2002	22 Years
3	Mr. Syed Yaver Imam	July 19, 2005	19 Years
4	Mrs. Madhu Dubhashi	May 01, 2021	3 Years
5	Mr. Jagdishwar Prasad Sinha	May 01, 2021	3 Years
6	Mr. Ashwani Maheshwari	April 01, 2022	2 Years

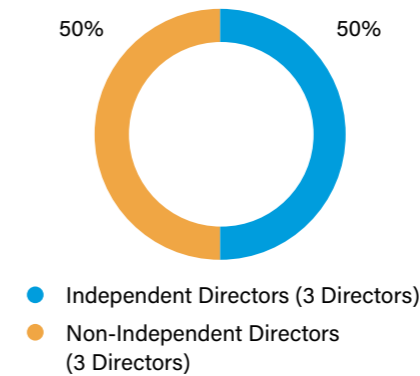
The Board of Directors has 1 Women Independent Director, in line with the requirements laid down under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015

## Board Metrics

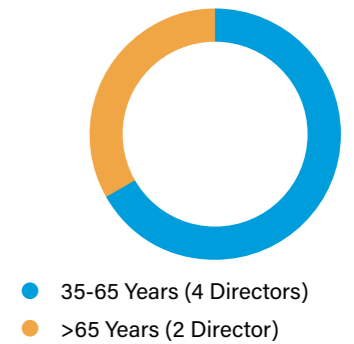
### Board diversity (%)



### Board independence (%)



### Board age profile



### Board expertise

Skill	Expertise	Percentage of skills
Business & Industry	<ul style="list-style-type: none"> <li>▶ Understanding of business environment,</li> <li>▶ Optimizing the development in the industry for improving Company's business.</li> </ul>	83%
Financial Expertise	<ul style="list-style-type: none"> <li>▶ Financial and risk management</li> <li>▶ Internal control,</li> <li>▶ Experience of complex financial reporting processes</li> <li>▶ Taxation,</li> <li>▶ Capital allocation</li> <li>▶ Resource Utilization</li> </ul>	83%
Governance & Compliance	<ul style="list-style-type: none"> <li>▶ Experience in developing governance practices</li> <li>▶ Serving the best interests of all stakeholders</li> <li>▶ Maintaining board and management accountability,</li> <li>▶ Building long term effective stakeholder engagements and</li> <li>▶ Driving corporate ethics and values.</li> </ul>	100%
Technology	<ul style="list-style-type: none"> <li>▶ Knowledge in anticipating technological trends,</li> <li>▶ Innovations and techniques to create new business models.</li> </ul>	83%
Strategic Expertise	<ul style="list-style-type: none"> <li>▶ Critically examine and review business strategies including mergers, acquisitions</li> </ul>	100%
Strategic Expertise	<ul style="list-style-type: none"> <li>▶ Fulfilling a director's duties and responsibilities,</li> <li>▶ Acting ethically and morally,</li> <li>▶ Actively contributing towards wellbeing of the organization</li> </ul>	100%



### Board committees

To ensure effective corporate governance and compliance with all applicable laws, the Board of Directors has established several committees. These committees play a critical role in overseeing essential business operations. They achieve this by conducting comprehensive assessments of how procedures and policies are implemented within the company. Regular meetings are held for the committees to fulfill the functions entrusted to them by the Board. Moreover, the strategic guidance and support provided by these committees significantly strengthen the Board's decision-making process.



### Composition of Directors

Composition of directors	Number of directors
Executive Director	2
Non-Executive	4
Non-Independent Director	1
Independent Director	3

### Policies

We prioritize adherence to the highest ethical standards. To achieve this, we have established a robust framework of policies that govern our daily operations. These policies not only ensure compliance with all applicable laws and regulations but also serve as a cornerstone of our commitment to strong corporate governance principles. This comprehensive approach fosters a culture of transparency and accountability, empowering informed decision-making at all levels.

- ▶ Whistle blower Policy (Policy on vigil mechanism)
  - ▶ Risk Management Policy
  - ▶ Policy on prohibition of Sexual Harassment
  - ▶ Dividend Distribution Policy
  - ▶ Corporate Social Responsibility Policy
  - ▶ Nomination and Remuneration Policy
  - ▶ Code of Conduct for Board and Senior Management
  - ▶ Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
  - ▶ Insider Trading Code
- ▶ Business Responsibility and Sustainability Policy
  - ▶ Corporate Governance Policy
  - ▶ Policy for determination of Materiality of Events or Information
  - ▶ Policy on Material Subsidiaries
  - ▶ Policy on Related Party Transactions
  - ▶ Policy on Succession Planning for the Board & Senior Management
  - ▶ Code of Conduct for all Directors and employees



# BOARD OF DIRECTORS



## SYED YAVER IMAM

### Non-Executive Director

He holds a Bachelor's degree in Civil Engineering from Jadavpur University and completed a short-term course in mineral processing from Indian School of Mines, Dhanbad.

## MEHUL MOHANKA

### Managing Director and Group CEO

He holds a Bachelor's Degree in Commerce from University of Calcutta and a Master's Degree in Business Administration from the University of Pittsburgh. Further, he completed an advanced management program from Harvard Business School.

## MADAN MOHAN MOHANKA

### Chairman & Whole Time Director

He holds a Bachelors degree in science (engineering) from Ranchi University and a post graduate diploma in Business Administration from Indian Institute of Management, Ahmedabad.

## MADHU DUBHASHI

### Independent Director

She is an Economics graduate from Delhi University and a post-graduate from IIMA (1971-73). She is presently in the Board of Directors with various companies as an Independent Director.

## ASHWANI MAHESHWARI

### Independent Director

He holds a bachelors degree in mechanical engineering from Indian Institute of Technology, Roorkee and a masters degree in leadership plus strategy from London Business School, London.

## JAGDISHWAR PRASAD SINHA

### Independent Director

He holds a Bachelors degree in Technology (Mechanical Engineering) from IIT-Banaras Hindu University and a Master's degree in Business Administration from University of Pittsburgh PA, USA.

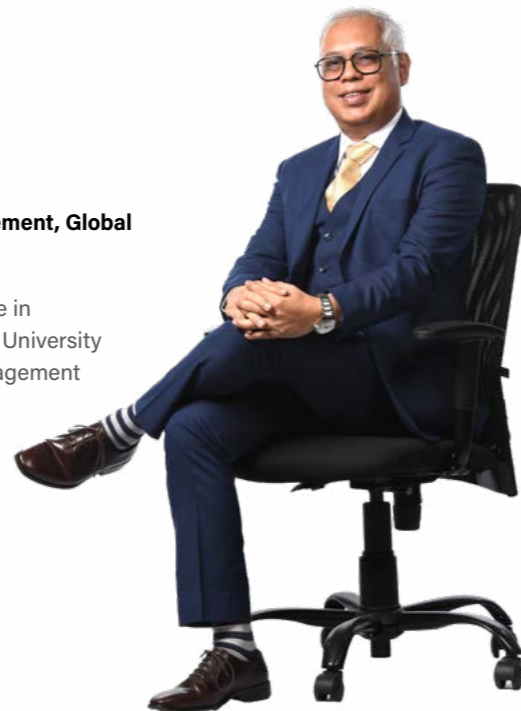


# SENIOR MANAGEMENT PERSONNEL



**Manoj Kumar Sinha**  
Director - Global Operations

He holds a Bachelors degree in Engineering from Sambalpur University.



**Pratik Basu Roy**  
President - Product Management, Global Sales & Marketing

He holds a Bachelor's Degree in Engineering from Mangalore University and a Post-Graduate in Management from NMIMS, Mumbai.



**Sharad Kumar Khaitan**  
Chief Financial Officer

(Key Managerial Personnel)

He holds a Bachelor of Commerce (Honors) from St. Xavier's College, is a member of ICAI (Institute of Chartered Accountants in India) and has completed a Management Development Program in Risk Management from IIM Ahmedabad.



**Bhanu Sharma**  
Group Head - Human Resources, Administration & Information Technology

He holds a Post Graduate Diploma in Management from MDI, Gurgaon. Prior to which he has a Master's degree in Computer Application from Punjab Technical University and a Bachelor's degree in Science from Punjab University.



**Manjuree Rai**  
Global Head - Legal & Compliance and Company Secretary

(Key Managerial Personnel)

She holds a Bachelor's degree in Commerce from Osmania University and is a member of the Institute of Company Secretaries of India.

# Management Discussion and Analysis

## Global economy overview

In the year 2023, amidst a backdrop of persistent geopolitical tensions, the global economic landscape witnessed a remarkable surge in confidence, painting an optimistic picture for the future. The International Monetary Fund (IMF) reported a GDP growth of 3.2%, exceeding earlier projections made in October-23. This robust growth was underpinned by resolute monetary strategies that drove down energy costs and spurred both governmental and private expenditures. The pace of expansion is steadily progressing, driven by a stabilization of borrowing costs, strategic fiscal adjustments, resilience following the COVID-19 pandemic and geopolitical events, ongoing improvements in productivity and emerging opportunities amid evolving geoeconomic landscapes.

In the realm of economic projections, the current outlook suggests stable growth but with nuances. The global economy is expected to grow at a rate of 3.2% throughout 2024 and 2025, mirroring the pace of the previous year. Advanced economies are forecasted to experience a slight increase, with growth rising from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. Conversely, emerging market and developing economies are anticipated to see a modest slowdown, dropping from a growth rate of 4.3% in 2023 to 4.2% in both 2024 and 2025.

## Industry overview

### Global mining and mineral industry

The industry is closely tied to global economic trends. As economies expand, the demand for metals and minerals increases, driving the growth of mining companies. Metals are fundamental to various industries, including construction, manufacturing and technology. Growing industrialization and infrastructure development contributed to a sustained demand for metals.

In 2023, metal prices faced challenges, but the energy transition sector showed promising growth, boosting demand for metals.

Two main factors affected metal prices in 2023. First, consumption in developed economies was hindered by higher interest rates and reduced manufacturer inventories. Second, China experienced a rapid increase in metal consumption despite real estate difficulties, driven by its focus on renewable energy and cleaner transportation.

Looking to 2024, the outlook for metals is optimistic as inventories have been depleted, setting the stage for increased demand and higher prices.

Political, social and environmental controversies have increased markedly in some countries. In Chile, for example, large mines have been regularly brought to a halt by protests, which led to a loss in annual copper production. Panama is another case, where a dispute between First Quantum Minerals and the Panamanian government led to the closing, this mine accounted for 1.5% of annual global copper output.

A noticeable shift towards minerals vital for sustainable energy, such as cobalt, nickel, copper, lithium and zinc, is underway as coal production is decreasing. Global demand for these critical minerals is projected to quadruple by 2030.

Looking ahead to 2023, the global mining industry is firmly committed to sustainability, energy transition minerals and decarbonization.

## Commodity Outlook

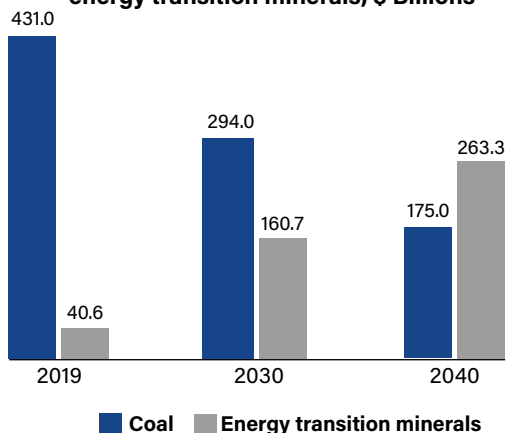
### Gold

In 2023, worldwide gold mine production was 3000 metric tons compared to 3060 metric tons in the year 2022. Production decreased in Australia, Canada, Peru and the United States, however production increased in Indonesia, Kazakhstan and South Africa. China remained as the global leader in the total gold production boasting an impressive output of 370 metric tonne.

Gold maintains a distinctive status among assets, frequently demonstrating an inclination to rise in value during periods marked by geopolitical turbulence and policy uncertainty, including times of conflict. The demand for gold as a haven is poised to intensify even further in 2024 amidst heightened geopolitical tensions and policy uncertainties. The average increase in gold price during the year 2023 was approximately 5%. Forecasts indicate the further upward momentum in the gold prices in 2024 by 8%. This surge is expected to propel the average price of gold to \$2,100 per troy ounce.

Mega merger between Newcrest and Newmont would likely reshape the landscape of the gold mining industry, creating a formidable player with enhanced scale, resources and capabilities.

Revenue from production of coal and energy transition minerals, \$ Billions





## Copper

In 2023, worldwide copper mine production was 22 Million tons compared to 21.9 Million tons in year 2022.

Global demand for copper—a key input for construction and equipment manufacturing—is likely to increase only modestly this year, reflecting subdued global GDP growth and the protracted challenges in China’s real estate sector. Nonetheless the steady increase in the demand for copper, driven by energy transition technologies—particularly electricity grid infrastructure, EVs and solar panels—is set to continue. Copper supply growth is expected to be modest this year, limited by production stoppages and declining ore grades in major producers in South America, before picking up in 2025. Copper prices are projected to increase by 5% in 2024 and hold relatively steady in 2025 as new production comes online.

In 2025 and 2026, the market is poised for significant growth with several new projects and expansion plans set to take off, including Tenke Fungurume (DRC), Quebrada Blanca Phase 2 (Chile) and Udokan (Russia).

Copper prices rose significantly due to lower-than-expected mined output, creating a slight shortage instead of the expected surplus. This change was mainly due to the closure of the Cobre Panama mine and reduced production forecasts from Anglo American, Vale and Southern Copper.

Sanctions on Russian copper may not materially affect the market as many European companies have already diversified their supplies and a large portion of Russian volumes currently flow to China and Turkey.

## Nickel

In early 2023, the nickel market softened as China and Indonesia announced significant new production capacities. A breakthrough in chemical processing enabled the conversion of lower-quality materials into high-purity (class 1) nickel for EV batteries, improving supply and reducing prices.

Nickel consumption for batteries in 2023 fell short of expectations due to supply chain destocking, falling prices, rising interest rates and a decline in zinc-free lithium-iron-phosphate (LIP) battery market share in China. Despite a 30% increase in global EV sales, nickel consumption rose only moderately, with no growth in China.

These factors led to a surplus of about 320,000 tonnes of nickel, causing significant price drops. Continued production in Indonesia and China could maintain this trend into 2024, potentially leading to further oversupply. Price declines have squeezed producer margins, leading to the first production shutdowns, such as First Quantum’s two-year closure of the Ravensthorpe mine in Australia.

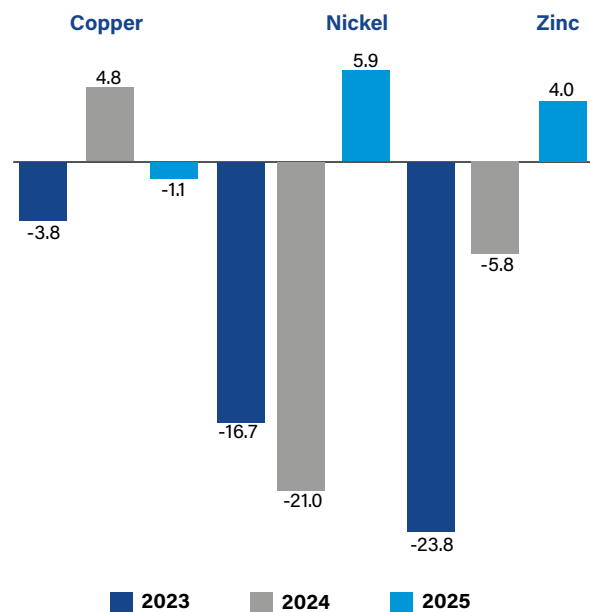
Despite short-term demand weaknesses, the EV battery sector is expected to drive future growth. In 2022, nickel use in batteries surged by 480,000 tonnes, with China accounting for 80% of this demand. Although demand increased by just 20,000 tonnes in 2023, a rebound is likely in 2025, driven by the global expansion of EVs.

## Iron Ore

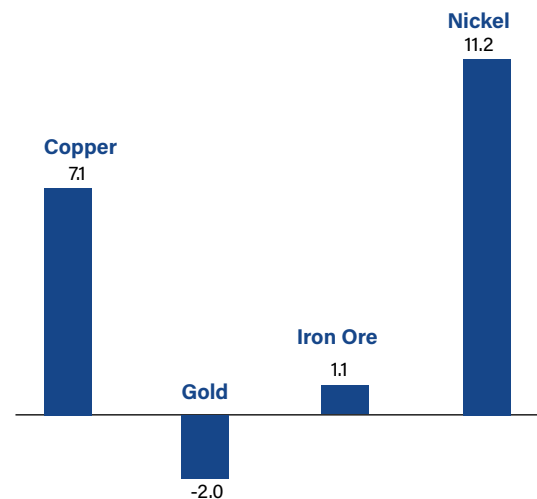
In 2023, global iron ore demand fell by 2.8% to approximately 2 Billion tons. China, the largest consumer, saw a 1.5% decline in demand due to reduced domestic steel production linked to a property sector crisis. Conversely, India, the second-largest consumer, experienced a 9% increase in iron ore demand during the fiscal year 2023-2024, reaching 228 Million tons, driven by growth in its domestic steel sector.

On the supply side, 2023 saw a 1.1% increase to 2.4 Billion tons, led by Australia and Brazil. Global production is forecast to rise by 3.8% in 2024, driven by new projects and operational improvements, particularly in Brazil and Australia.

% Changes in base metals prices



Base metal production growth % Change, 2023



Year-on-year change in global metals supply in 2023, compared to 2022. Source World Bank

Year-on-year change in metal prices based on forecast. Source World Bank

## Industry Trends



### ESG and Decarbonising

The adoption of Sustainability and Decarbonising ranks among the foremost priorities for mining companies. ESG is the biggest risk for miners, as well as their biggest opportunity to drive differentiation and improvements that will create long-term value for all stakeholders.



### Mergers, Acquisitions and Divestments

The M&A activities in the sector are being driven by three fundamental principals, namely:

- ▶ **Decarbonising operations:** The adoption of renewable energy sources ranks among the foremost priorities for mining companies, with approximately 25% of the top 20 mining mergers and acquisitions being driven by the increasing demand for energy transition metals and divesting from coal assets.
- ▶ **Focus on future minerals and metals:** The Electric Vehicle market is projected to sharply, grow 146 times by 2050, pushing the demand for metals such as lithium, cobalt, manganese and nickel. Hence, despite the lithium sector's recent high valuations, major mining companies are actively pursuing deals to capitalise on the strong sector outlook.
- ▶ **Reshaping portfolios:** Many mining companies are using consolidation as a key tool to reshape their portfolios and strategies, spinning off and divesting their non-core assets and funding strategic growth targets, e.g. Arcelor Mittal's acquisition of 80% of Voestalpine's HBI plant and Glencore is spinning off its thermal coal business.

## Digitization and Smart Products

Economic pressures are forcing mining companies to elevate the way they innovate with data and technology. Investment in data and technology via innovation is driven by demand across

the business for digital solutions to reduce costs, improve productivity and ESG outcomes. Use of Generative AI (GenAI), Digital Twins and introduction "Smart" and "Green" products such as "Green Aluminium", "Green Steel" and our own "Green mill liners" are driving innovations and thus transforming the mining industry.

## Collaborations and partnerships

Non-mining businesses, especially Automotive companies, are securing future supply by partnering with major mining companies and junior miners. E.g. General Motors purchased a 9.99% stake in Lithium Americas to ensure supply of lithium for up to one Million EVs yearly; and, Stellantis acquired a 14.2% stake in McEwen Copper, reinforcing its commitment to carbon neutrality by 2038.

## Outlook on the Business Segments of the Company

Tega Group operates in two primary segments within the mining and mineral processing industry, namely, mining equipment and aftermarket consumable products, that contributes to 13.77% and 86.23% of the total revenues of the Group respectively.

Tega Industries is navigating this interconnected and rapid change in the business environment with a focused approach to capitalise on the future growth of the mining industry.

In order to capitalize on the opportunities present in the mining and mineral processing industry, Tega Industries has invested in an acquisition to expand and integrate its product offerings, worked upon "Smart" as well as "Green" products across its product groups. Tega is also investing heavily on digitization, its IT systems e.g. Industry 4.0 with Siemens for manufacturing, S4 HANA for operations, Darwin Box for human capital, Salesforce for sales processes, etc. Additionally, Tega collaborated with industry experts and partners to ensure a sustainable future for the Company and its stakeholders across all its business segments.

All this has been possible by the efforts of Tega's dedicated and motivated employees across the Globe and ensured that Tega remains a "Great Place To Work"!

## Statement of Segment Revenue, Results, Assets and Liabilities

Particulars	(All amount in ₹ Million)	
	Year Ended	
	March 31, 2024	March 31, 2023
<b>Segment Revenue</b>		
Consumables	12,905.15	11,775.90
Equipments	2,060.53	367.62
<b>Total</b>	<b>14,965.68</b>	<b>12,143.52</b>
Less: Inter segment revenue	(38.54)	(3.80)
Total segment revenue from operations	14,927.14	12,139.72
Segment results before interest, tax and depreciation:		
Consumables	2,981.00	2,630.71
Equipments	180.00	75.23
<b>Total</b>	<b>3,161.00</b>	<b>2,705.94</b>
Less: Inter segment eliminations	(1.28)	(1.80)



(All amount in ₹ Million)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
<b>Total segment results before interest, tax and depreciation</b>	<b>3,159.72</b>	<b>2,704.14</b>
Add: Other income	222.05	206.84
Less: Finance costs	319.54	181.20
Less: Depreciation and amortisation expenses	636.82	411.97
Add: Share of profit of joint venture	44.32	43.18
<b>Profit before tax</b>	<b>2,469.73</b>	<b>2,360.99</b>
Less: Tax Expense	531.16	520.69
<b>Net Profit for the period/ year</b>	<b>1,938.57</b>	<b>1,840.30</b>

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
<b>Segment Assets:</b>		
Consumables	12,248.54	10,587.14
Equipments	3,582.15	3,316.33
<b>Unallocable Assets</b>		
Investments in joint venture and mutual fund	2,790.87	2,168.72
Deferred tax assets	189.31	162.45
Derivative assets	100.04	107.79
Less: Inter segment eliminations	(9.52)	(1.40)
<b>Total assets</b>	<b>18,901.39</b>	<b>16,341.03</b>
<b>Segment Liabilities:</b>		
Consumables	5,324.63	4,430.06
Equipments	1,599.37	1,329.60
<b>Unallocable Liabilities</b>		
Deferred tax liabilities	53.32	47.62
Derivative liabilities	15.40	45.23
Less: Inter segment eliminations	(9.52)	(1.40)
<b>Total liabilities</b>	<b>6,983.20</b>	<b>5,851.11</b>

## Company overview

Tega Industries Limited is the flagship company of the Tega Group of companies, promoted by the Mohanka family. The Company is among the top manufacturers of specialized 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining and bulk solids handling industry. Established in 1976 and headquartered in Kolkata, India, Tega Industries offers a wide range of abrasion and wear-resistant lining components made of rubber, polyurethane, steel and ceramics, essential for mineral processing, screening, grinding and material handling.

The Company's strategic acquisition of McNally Sayaji Engineering Limited (MSEL) in February 2023, rebranded as Tega McNally Minerals Limited in October 2023, further expanded its product portfolio to include crushing and screening, grinding, material handling and mineral processing equipment, strengthening its presence in India and globally.

With a global presence in over 92 countries and manufacturing facilities in India, South Africa, Australia and Chile, Tega Industries is committed to delivering tailored solutions to its customers, with a strong position as a trusted partner in the mining and mineral processing industries. The Company focuses

on innovation, quality assurance and customer satisfaction as it expands its role as a global solutions provider in the mining and mineral processing industries.

## Financial overview

### Analysis of the Profit and Loss Statement Revenue

Revenues from operations reported a 23.0% increase from ₹ 12,139.72 Million in FY 2022-23 to reach ₹ 14,927.14 Million in FY 2023-24. Other income of the Company accounted for a 1.49% share of the Company's revenues, validating the Company's reliability in its core business operations.

### Expenses

Total expenses of the Company increased from ₹ 10,028.75 Million in FY 2022-23 to ₹ 12,723.78 Million. Raw material costs, accounting for 43.24% share of the Company's revenues, decreased from 43.46% in FY 2022-23. Employee expenses, accounting for a 14.73% share of the Company's revenues, increased from ₹ 1,627.01 Million in FY 2022-23 to ₹ 2,198.63 Million in FY 2023-24.

## Analysis of the Balance Sheet

The capital employed by the Company increased by 5.63% from ₹ 13,584.47 Million as of March 31, 2023, to ₹ 14,349.63 Million as of March 31, 2024. The net worth of the Company increased by 13.62% from ₹ 10,489.92 Million as of March 31, 2023, to ₹ 11,918.19 Million as of March 31, 2024, due to our growth in reserves and surplus. The Company's equity share capital stood at 6,65,35,492 equity shares of ₹ 10/- each as of March 31, 2024. Long-term debt of the Company decreased by 15.45% to ₹ 1,421.92 Million as of March 31, 2024. Net debt-equity ratio of the Company stood at (0.08) in FY 2023-24 compared to 0.07 in FY 2022-23. Finance costs of the Company increased by 76.35% from ₹ 181.20 Million in FY 2022-23 to ₹ 319.54 Million in FY 2023-24 following the repayment of liabilities.

### Key ratios

Particulars	Formula	FY24	FY23
Debt-equity ratio	Total Borrowings/Total Equity	0.20	0.30
Debtor's Turnover (days)	Trade Receivable/ (Sales of Products & Services/365)	111.53	123.21
Inventory Turnover (days)	Inventories/ ((Cost of Materials Consumed + Change in inventories of finished goods and work-in-progress)/365)	209.30	200.34
Debtors' Turnover (x)	Sales of Products & Services/Trade Receivables	3.27	2.96
Inventory Turnover(x)	Cost of Materials Consumed + Change in inventories of finished goods and work-in-progress/Inventories	1.74	1.82
Interest Coverage Ratio (x)	EBITDA/Interest Expenses	10.58	16.06
Current Ratio (x)	Current Assets/Current Liabilities	2.31	2.53
Operating EBITDA margin (%)	(EBITDA minus Non-Operating Income)/ Revenue from Operations	21.17	22.28
Net Profit margin (%)	Profit after Tax/Revenue from operations	12.99	15.16

### Financial Snapshot

Particulars	(All amount in ₹ Million)			
	Consolidated		Standalone	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Total Income	15,149.19	12,346.56	7,658.20	7,400.97
Total Expenses	12,723.78	10,028.75	6,020.42	5,904.96
Profit before share of net profit of Joint Venture accounted for using equity method and tax	2,425.41	2,317.81	-	-
Share of net profit of Joint Venture accounted for using equity method	44.32	43.18	-	-
Profit before tax	2,469.73	2,360.99	1,637.78	1,496.01
Total Tax	531.16	520.69	372.77	357.81
Profit After Tax	1,938.57	1,840.30	1,265.01	1,138.20
Other Comprehensive Income (net of tax)	(382.99)	18.40	7.35	(3.71)
Total Comprehensive Income	1,555.58	1,858.70	1,272.36	1,134.49
Basic Earnings Per Share (in ₹)	29.17	27.76	19.04	17.17

### Company performance

Mill liners play a critical role in the mineral processing industry. They are categorised into metal, rubber and composite mill liners. Of them, metal mill liners see the highest demand. Rubber mill liners are more lightweight, more energy efficient and are preferred in secondary and tertiary operations. Tega is the fifth-largest player in the global mill liners industry and is the second largest in the sub-segment of polymer-based liners. The Company offers mill lining solutions made from rubber, polyurethane, steel and ceramic. Tega's flagship mill liner products are DynaPrime®, DynaPulp, DynaSteel, DynaWear and grinding mill devices.



Additionally, the Company boasts a diverse product portfolio that fall under its BMH (Bulk Material Handling) Products portfolio. Tega offers products under hydrocyclones, trommels, conveyor products and more.

The Company is in the production of heavy engineering equipment & ancillaries, which are as mentioned in the table below. A detailed break-up of the contribution of the type of products that are manufactured have been provided below:

Sl. No.	Product/Service	Description of Business Activities	% Of total Turnover Contributed
1.	Mill Liner Products	DynaPrime®, DynaSteel, DynaWear and DynaPulp	75.4%
2.	BMH (Bulk Material Handling) Products	Conveyor components, Hydrocyclones, Wear Components and Screen & Trommels	24.6%

## Research and Development

The Company pursues constant Research & Development to optimally support the customers' journey. A dedicated R&D team comprising more than 35 qualified professionals is committed to innovation and problem solving.

The Company's robust research and development capabilities have enabled it to introduce new and innovative products to the market while upgrading its existing portfolio. These capabilities have facilitated significant advancements in manufacturing processes, made way for continuous innovation and allowed it to stay ahead of the curve in a competitive business environment. The Company's commitment to innovation is reflected in its 'built-to-suit' philosophy allowing Tega Industries to consistently deliver new-age solutions.

In order to make the products sustainable and customer-friendly, the Company focuses on the following aspects:

- 1) Heat and impact resistance** - Use of superior quality material offers higher life. Quality and innovation makes our products resistant to heat, abrasion, impact and wear.
- 2) New technologies** - With our focus on the international markets, we continuously strive to stay ahead with innovative technologies and offerings.
- 3) Introduction of new products & product variants** - Our range of 55 products across five product categories is specialised and cutting-edge, making our offering truly world-class. We are vigilant about growing our product portfolio and improving upon our technologies to meet the customers' challenges.

## Manufacturing

The Company has robust manufacturing capabilities alongside cutting-edge production facilities, enabling it to provide products that adhere to global standards.



### International manufacturing operations

Country	Description
Chile	<b>Acquisition:</b> 2011 <b>Product capabilities:</b> Mill liners, Trommels, Chute liners, Screens, Pipe and pipe repair and spools
South Africa	<b>Acquisition:</b> 2006 <b>Product capabilities:</b> Mill liners (except DynaPrime®), Spillex, Screen Panel, Chute liners
Australia	<b>Acquisition:</b> 2010 <b>Product capabilities:</b> Chute liners and Trommels



### Domestic manufacturing operations

Location	Description
Dahej, Gujarat	<b>Acquisition:</b> 2013 <b>Product capabilities:</b> Mill liner, wear products, screens and trommels
Kolkata (Samali), West Bengal	<b>Acquisition:</b> 1985 <b>Product capabilities:</b> Mill liners, Wear products, Hydrocyclones, Screens, Trommels & Conveyor products
Kalyani, West Bengal	<b>Acquisition:</b> 1978 <b>Product capabilities:</b> Mill liners (except DynaPrime®), Conveyor products, Chute liners & pump liners, Hydrocyclones

## Quality assurance and quality control

The Company prioritises quality control across its production process. With limited reliance on outsourced products, it has reduced dependence on vendors and maintains strict quality control procedures during the manufacturing of specialised 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining and bulk solids handling industry. The Company conducts rigorous quality tests across multiple phases to ensure optimum product review and selection.

### Certifications

## ISO 45001:2018

### India

## ISO 9001:2015

### India, South Africa

## ISO 14001:2015

### India

### Human resources

The people at Tega Industries form the backbone of the Company's success. Skilled and motivated employees drive innovation, ensure operational efficiency and deliver exceptional customer service. With a dedicated workforce, Tega Industries can achieve its business objectives, maintain a competitive edge in the market and sustain long-term growth and success.

The Company prioritises the growth and development of its employees through targeted HR practices such as the Tega People Manager and Tega Future Leader Programs. Continuous learning and development are prioritised with specialised training in various areas such as MS Office and cyber security to enhance productivity. Behaviour-based safety training, the EHS Handbook and mental health workshops ensure a safe and supportive work environment for the employees. Employee well-being is addressed through upgraded insurance policies and office infrastructure, recreational facilities and accommodations for differently abled employees. These comprehensive HR practices have contributed to Tega Industries being recognized as a 'Great Place to Work' in both India and Australia.

For elaborate Human Resource information go to page number 42.

### Strategic Advantages

The Company conducts extensive market research to formulate strategic initiatives aimed at retaining its competitive edge. It analyses market trends, customer preferences and industry

dynamics to identify emerging opportunities, innovate new products and deliver differentiated products to the market. This strategic approach not only ensures its relevance in a competitive environment but also positions it as a market leader for offering customised solutions that meet the evolving needs of customers.

- ▶ **Diverse and innovative product portfolio:** Tega Industries has an extensive and innovative product portfolio that fulfils diverse customer demands. Its ability to offer customised products allows it to stay ahead of the competition.
- ▶ **Strong R&D focus:** The Company's commitment to innovation and quality is underscored by its emphasis on research and development. This focus has enabled the Company to introduce patented products to the market and avert the risk of product substitution. Furthermore, it has empowered Tega Industries to enhance its existing portfolio, introduce new products and fulfil customer expectations effectively. Additionally, this commitment to R&D has facilitated the production of cost-effective products.
- ▶ **Global presence with robust manufacturing and sales capabilities:** Tega Industries has an extensive global footprint and has developed strong manufacturing and sales capabilities in different geographies. It not only enables the Company to efficiently serve its global clientele but also introduces a steady stream of cutting-edge solutions.
- ▶ **Exceptional operational efficiency:** Tega Industries has demonstrated consistent growth owing to its commendable operational efficiency. It has enabled the Company to strengthen ties with existing as well as new clients, thereby enhancing customer loyalty and brand recall.
- ▶ **Capacity expansion:** The Company established a greenfield facility in Chile and engaged in brownfield expansion in South Africa and India to enhance its capacity and capitalise on new growth opportunities.
- ▶ **Equipment management services:** By exploring opportunities in life cycle equipment management, the Company has explored new revenue streams, addressed the growing requirement for bespoke critical spares and services and improved production efficiency for customers.
- ▶ **Acquisitions and alliances:** Through acquisitions and alliances, the Company has gained access to new technologies, customers and geographies. It has helped the Company to utilise free cash flow and improve its financial strength.
- ▶ **Opportunity to improve market share:** Utilising its existing presence across different parts of the world, the Company has the potential to improve market penetration in high-growth markets of North America, South America, Australia and South Africa by leveraging its design, engineering and manufacturing potential. It is also strengthening its foothold in existing markets of USA, Chile, Peru and Mexico positioning itself as a specialist across multisector and terrains.



## Opportunities

- ▶ **Capitalising on emerging opportunities:** As ore grades deplete in gold mines and the mining and mineral processing industries experience disproportionate growth, there is a rising demand for large equipment, including mineral processing consumables. It presents significant opportunities for the Company to capitalise on emerging demands.
- ▶ **Demand for innovative solutions:** The Company has the capability to disrupt the market by offering innovative solutions like DynaPrime®, Rapido and Combi-screen. It has launched sensor-based products and remains focused on creating recycling opportunities for its used products. With proprietary R&D capabilities, the Company is empowered to enhance its product portfolio and launch new products in the market.
- ▶ **High-Concentrated Ore Deposits:** Newer mines with high-concentration ore deposits will require advanced beneficiation processes, thereby creating demand for the Company's superior-quality consumables. This need for superior consumables in new mines offers opportunities for Tega McNally Minerals to reduce customers' operating expenses and improve profitability.
- ▶ **Rising Copper Demand:** Copper and gold hold significant importance for Tega, constituting 75% of the Company's mill liner sales due to their substantial beneficiation requirements. The copper and gold mining industry are expected to see sustained growth, offering ongoing opportunities for Tega. The increased demand for copper from the energy and automotive sectors, coupled with investments in renewable energy, presents an opportunity for the Company to expand its sales.

## Risk management

Type of risk	Definition of risk	Mitigation procedure
Supply chain risk	The Company relies on third party logistics and support service for the delivery of raw materials and finished products. Rising fuel and logistics costs will inevitably impact the Company's overall revenue and may result in an inadequate product supply.	The Company can mitigate the impact of rising fuel prices and logistics cost by adjusting its freight cost and proper route planning.
Competitor risk	The Company is contending with fierce competition from global players.	With a strong R&D team and the ability to introduce innovative products, the Company strives to stay one step ahead of the competition.  It manufactures specialized products that are difficult to substitute and the industry has high entry barriers, thus offering a competitive advantage to the Company.
Geographical risk	Due to the Company's global reach, it is susceptible to varied macroeconomic challenges.	By strategically expanding its offerings in different regions, the Company insulates itself from risks arising due to demand fluctuations or challenges in the macroeconomic environment.  Additionally, it does not rely on a particular client group for revenue generation as its clients span across India, Asia Pacific, South America, North America, Europe, the Middle East and Africa.
Changing consumer preference	The Changing consumer preferences and industry trends, are leading to the demand of customized products.	To meet the changing consumer demand, the Company is actively identifying shifting consumer preferences and launching a variety of diverse customised products.
Compliance risk	Neglecting to abide by regulatory norms can result in penalties and legal complications. The Company's commercial and operational presence in different countries increases the risks associated with adhering to international laws and regulations.	The Company ensures adherence to statutory and regulatory permits by promptly renewing approvals as and when necessary.  The Company also stays informed about and complies with the latest regulatory guidelines and norms to avoid regulatory risks.

### **Internal control systems and adequacy**

The internal control and risk management system adhere to the principles and criteria outlined in the corporate governance code of the organisation. It is an essential component of both the Company's and the Group's overall organisational structure, involving various personnel who work together in executing their respective duties. The Board of Directors provides guidance and strategic oversight to the Executive Directors and management, overseeing monitoring and support committees. The Control and Risk Committee, along with the head of the audit department, operates under the supervision of board-appointed Statutory Auditors.

### **Cautionary statement**

The statement provided in the MDA section might contain forward-looking statements within the meaning of applicable securities laws and regulations. These statements reflect the Company's objectives, projections, expectations and estimations regarding future events. Forward-looking statements are based on certain assumptions and expectations, but there is no guarantee that these will be accurate or realised by the Company. Actual results may differ materially from those expressed or implied in the statement due to external factors beyond the Company's control. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments.



# Directors' Report

## Dear Members,

Your Directors have the pleasure of presenting the 48<sup>th</sup> Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2024.

## FINANCIAL SNAPSHOT

(₹ in Million, unless otherwise stated)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Total Income	15,149.19	12,346.56	7,658.20	7,400.97
Total Expenses	12,723.78	10,028.75	6,020.42	5,904.96
Profit before share of net profit of Joint Venture accounted for using equity method and tax	2,425.41	2,317.81	-	-
Share of net profit of Joint Venture accounted for using equity method	44.32	43.18	-	-
Profit before tax	2,469.73	2,360.99	1,637.78	1,496.01
Total Tax	531.16	520.69	372.77	357.81
Profit After Tax	1,938.57	1,840.30	1,265.01	1,138.20
Other Comprehensive Income (net of tax)	(382.99)	18.40	7.35	(3.71)
Total Comprehensive Income	1,555.58	1,858.70	1,272.36	1,134.49
Basic Earnings Per Share (in ₹)/(of ₹ 10/- each)	29.17	27.76	19.04	17.17

## RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Your Company operates in two (2) primary segments:

(i) Consumables and (ii) Equipment, serving the global mineral beneficiation, mining, and bulk solids handling industry.

Tega Industries Limited is a leading manufacturer and distributor of specialized 'critical to operating' and recurring consumable products for the global mineral beneficiation, mining, and bulk solids handling industry, based on sales. The Company offers comprehensive solutions to marquee global clients in the mineral beneficiation, mining, and bulk solids handling industry, through its wide product portfolio.

Tega McNally Minerals Limited (TMML), formerly, McNally Sayaji Engineering Limited, is a 100% wholly owned subsidiary of your Company, TMML was acquired at the end of FY 2023 and operates as an Original Equipment Manufacturer (OEM). It offers comprehensive solutions encompassing the manufacturing and marketing of equipment crucial for crushing, screening, grinding, material handling, and mineral processing. With a robust portfolio featuring 40 equipment types, TMML emerges as a key player in the crushing and beneficiation process within the industry.

During the year under review, your Company expanded its scale resulting in improved operating leverage and substantial margin improvement. We have witnessed robust sales growth across all regions, reflecting the effectiveness of our strategies and the value we provide to our customers. Despite the challenging global macro environment characterized by geopolitical issues in West Asia, Europe, and the Red Sea crisis, currency volatility, and inflationary pressures on raw materials, your Company has

managed to deliver significantly improved results. A significant development during the year was the long-term Agreement entered into between your Company's foreign subsidiary and Europe's largest copper mine, for the supply, installation, and management of Tega's products for the mine's mineral processing plant. The Agreement shall span over five years, with an option to extend for another year. It started on January 1, 2024, with an estimated expenditure of ₹ 6,852 Million expected from the mine over the six-year term. This partnership is a big step forward for both parties in the mineral processing sector.

The Financial Year 2023-24 has been a milestone period for your Company, marked by record total revenues of approximately ₹ 15,149.19 Million and an EBITDA of around ₹ 3,381.77 Million. Despite navigating a dynamic operating environment, your Company delivered exceptional results, showcasing resilience and adaptability. The Consumables business saw a notable growth of 9.6% over the previous year, reaching revenues of ₹ 12,905 Million, while the Equipment business achieved revenues of ₹ 2,060 Million, representing a growth of 12.6% over FY 23 year on year basis (Since your Company consolidated Tega McNally Minerals Limited for five weeks in FY 23, hence full year basis is comparable). Although supply chain challenges persisted, your Company proactively managed them, albeit with some impact on transportation delays and inventory. Without these challenges, your Company revenues could have been even higher, showcasing the Company's potential for further growth. Your Company's commitment to addressing supply chain issues and closely monitoring market movements underscores its dedication to supporting customers. There was a significant increase in the order book by 30% during FY 23-24 reflecting positive momentum and confidence in the Company's offerings. Overall, your Company has not only demonstrated

resilience but also positioned itself for continued success in the upcoming financial year.

Your Company's total consolidated Income was ₹ 15,149.19 Million from ₹ 12,346.56 Million last year, marking a significant increase. The profit before tax was ₹ 2,469.73 Million compared to ₹ 2,360.99 Million in the previous year. After taxes, your Company's net profit amounted to ₹ 1,938.57 Million, up from ₹ 1,840.30 Million last year, with a slight variation of ₹ 98.27 Million this year. Your Company's total assets under management have also grown, reaching ₹ 18,901.39 Million from ₹ 16,341.03 Million last year. On standalone basis, total income stood at ₹ 7,658.20 Million, up from ₹ 7,400.97 Million last year. The profit before tax increased to ₹ 1,637.78 Million from ₹ 1,496.01 Million, and after taxes, the net profit increased to ₹ 1,265.01 Million from ₹ 1,138.20 Million last year, with a slight variation of ₹ 126.81 Million this year. The total assets under management also grew to ₹ 14,543.67 Million from ₹ 13,181.51 Million last year. These numbers show your Company's strong financial performance and ability to seize growth opportunities.

The Financial Statements of your Company have been prepared in accordance with the Ind AS and the relevant provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and rules made therein, as applicable, Regulation 33, Regulation 34, and Regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015'). Accounting policies have been consistently applied except where a newly issued accounting standard if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Your Company discloses standalone and consolidated unaudited financial results on a quarterly basis, which are subjected to limited review, and standalone and consolidated audited financial results on an annual basis.

## DIVIDEND AND ITS DISTRIBUTION POLICY

The Board of Directors have recommended a final dividend of ₹ 2 per equity share i.e., 20% on the Ordinary Shares of the Company of the face value of ₹ 10 (ten) each for the Financial Year ended March 31, 2024, subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source.

In accordance with Regulation 43A of SEBI Listing Regulations, 2015, a Dividend Distribution Policy has been adopted by your Company, covering, inter alia, the parameters for the declaration of dividend, utilisation of retained earnings, the procedure for dividend declaration, etc. The said Policy is available on the website of your Company at the following web-link: [https://www.tegaindustries.com/investors/policies/dividend\\_distribution\\_policy.pdf](https://www.tegaindustries.com/investors/policies/dividend_distribution_policy.pdf)

The dividend payout for the year under review is in accordance with your Company's policy to pay sustainable dividends linked to the long-term growth objectives of your Company to be met by internal cash accruals. Your Company's strong performance

on the back of meticulous execution over the years, as reflected in the combination of high growth and profitability, has led to building a strong, debt-free, and liquid Balance Sheet. Our focus is on ensuring a sustainable and profitable financial position. We also understand that our stakeholders expect us to deliver long-term growth riding on a solid strategy and prudent business decisions and are looking for good returns on their investments and dividends.

## INTEGRATION OF TEGA MCNALLY MINERALS LIMITED (ERSTWHILE MCNALLY SAYAJI ENGINEERING LIMITED)

In February 2023, your Company made an important strategic move and acquired McNally Sayaji Engineering Limited, an Original Equipment Manufacturer (OEM) for the mining and mineral beneficiation sector, through the Corporate Insolvency Resolution Process (CIRP) process vide the order of the Honorable National Company Law Tribunal (NCLT), Kolkata. With the acquisition, your Company took a decisive step forward to become a comprehensive solutions provider in the global mineral beneficiation, mining, and bulk solids handling industry. This acquisition has enhanced your Company's footprint in India and now we shall offer comprehensive solutions to global clients through a wide synergistic product portfolio.

The integration between the two (2) entities is proceeding as scheduled. Your Company is actively working towards unlocking the full potential of this collaboration to generate value from synergies, which we anticipate will have a positive impact in the future. In addition to implementing various structural changes and strategic initiatives, your Company has rebranded McNally Sayaji Engineering Limited to Tega McNally Minerals Limited (TMML). This new brand name is designed to be more vibrant and to enhance the credibility of TMML's products, assuring quality to consumers about what they can expect. In the first year following the acquisition, your Company prioritized laying a solid foundation rather than achieving immediate operational excellence. Efforts were concentrated on integrating the four manufacturing units into a unified entity, fostering a culture of cohesion among them. Previously, each unit operated autonomously. TMML is now pursuing the centralization of orders at the corporate level rather than at individual units, enabling more efficient resource allocation and manufacturing optimization. There is a concerted focus on bolstering the quality and engineering departments to align with the Company's emphasis on selling engineering products. Overall, the inaugural year was dedicated to establishing the groundwork for future operational excellence and synergy among the manufacturing units. In terms of financial performance, TMML has achieved a revenue of approximately ₹ 206 crores with an EBITDA of around ₹ 20 crores during FY 2023-24. It's worth noting that for FY 2022-23, TMML recorded a revenue of approximately ₹ 183 crores with an adjusted EBITDA of around ₹ 10 crores. These figures reflect our commitment to driving growth and efficiency within the integrated entity.



## OPERATIONS

Your Company operates in ten cutting edge manufacturing plants across the world, with seven located in India and three strategically placed in major mining locations including Chile, South Africa, and Australia. Your Company's sales and distribution network spans over 70 countries.

Your Company has adopted Digital Platforms for its various processes across Functions. Industry 4.0 by leveraging digital technology for automated Real Time Monitoring & Control of Processes ensuring Repeatable & Robust Product Quality. This includes Automated Dynamic Planning software which can self-calibrate due to any changing Input/Output condition. Your Company has invested in a Digital Management Information System that has enhanced a granular understanding of its business and prompted data-based decision making. This has strengthened our Operations (Procurement & Manufacturing), Sales, Human Resource and Costing.

Industrial Relations at all units in India as well as all the other units in different Geographies continued to be satisfactory during the year under review.

## HUMAN RESOURCES

Your Company's human resource objective is to build the organization as an employer of choice. Your Company seeks to motivate employees to realize the best out of them and align employee goals with the organizational objective, ensuring that employees work happily. With an intent to break the barriers, provide equitable opportunities, your Company has maintained its strong focus on Diversity, Equity, and Inclusion.

During the year under review, in order to build buoyancy in the system and cater to aggressive future growth, Tega People Manager and Tega Future Leader Programs were implemented. Additionally, groundwork has been established for providing continuous and sustained learning opportunities for all employees through the implementation of the new Learning Management System (LMS). Further, various workshops on Gender sensitization, multiple sessions on POSH, launch of the E-module on POSH ensured that there are concrete steps taken for organization wide awareness on the importance of Diversity and Inclusion. HRMS platform was introduced to ensure seamless onboarding experience for all new employees.

Your Company was certified as Great Place to Work (GPTW) both for our India and Australia business. We have witnessed a substantial jump of 10 points in the overall score which has lead GPTW team to write a case study on our transformational journey.

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

At Tega Industries, 'Partnership with Practice' embodies our commitment to partner responsibly with all relevant stakeholders throughout the value chain for creating a better future. We think that any company's growth strategy should be illuminated by the Triple Bottom Line, which speaks of economic, social, and

environmental sustainability. And by making strides towards a sustainable future, we follow a similar road ourselves. We practice inclusive growth, where we make sure that our progress is reflected in both our internal and external stakeholders' well-being as well as the environment, on which we depend for all our natural resources.

Your Company is one of the top 500 listed entities and accordingly pursuant to Regulation 34(2) of the SEBI Listing Regulations, 2015 it has presented its Business Responsibility and Sustainability Report for the FY 2023-24, in the prescribed format and the same forms an integral part of this report as **Annexure - I**.

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act are given in **Annexure - II** attached hereto and forms part of this Report.

## CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by your Company, which has been approved by the Board. The Policy is available on the website of your Company at [https://www.tegaindustries.com/investors/policies/corporate\\_social\\_responsibility\\_policy.pdf](https://www.tegaindustries.com/investors/policies/corporate_social_responsibility_policy.pdf).

Your Company strives to meet its commitment towards the community by committing its resources and energies to social development. The CSR Committee of your Company has formulated a CSR Policy which describes the multiple lines around which the CSR activities of your Company are positioned being education and skills development, social and economic welfare, environmental sustainability and such other activities included in Schedule VII of the Act as may be identified by the CSR Committee from time to time.

Your Company has identified four focus areas of engagement which are as under:

- Health: Affordable solutions for healthcare through improved access, awareness and health seeking behaviour.
- Education: Access to quality education, training and skill enhancement.
- Protection of National Heritage, Art and Culture.
- Rural Transformation: Creating sustainable livelihood solutions, addressing poverty, hunger and malnutrition. Environment: Environmental sustainability, ecological balance, conservation of natural resources.

Your Company strives to meet its commitment towards the community by committing its resources and energies to social development. Your Company spends amount on projects

keeping in mind sustainability, impact on the desired recipients and efficacy of implementing agencies. Further, your Company believes in contributions which have a long-term impact on the society at large. Accordingly, during the year under review, your Company made contributions in ongoing projects with an objective of social welfare and development. The unspent amount arising out of these ongoing projects has been transferred by your Company within a period of thirty days from the end of the financial year to a special account opened by your Company in that behalf, and such amount shall be spent by your Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

A report on Corporate Social Responsibility (CSR) during the financial year ended March 31, 2024, pursuant to the provisions of clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is given as **Annexure - III** to this Report.

## RISK MANAGEMENT

Risk Management at your Company forms an integral part of Management focus. The Risk Management Policy of the Company, which is approved by the Risk Management Committee of the Board ('RMC') and the Board of Directors, provides the framework of Enterprise Risk Management ('ERM') by describing mechanisms for the proactive identification and prioritization of risks based on the scanning of the external environment and continuous monitoring of internal risk factors. The ERM framework identifies, evaluates, manages and reports risks arising from the Company's operations and exogenous factors. The Company has deployed both bottom-up and top-down approaches to drive enterprise-wide risk management. The Leadership Team as well as the RMC identifies and assesses long-term, strategic and macro risks for the Company. The RMC oversees the risk management process in the Company. The RMC is chaired by an Independent Director. Further, the Chairman of the RMC briefs the Board at its Meetings about the significant discussions at each of the RMC Meetings. This robust governance structure has also helped in the integration of the ERM with the Company's Strategic Planning Process where emerging risks are used as inputs in such processes. Identified risks are used as one of the key inputs in the strategy and business plans. Considering the volatility, uncertainties and unprecedented challenges involved in the businesses, the risk management has gained more importance over the last few years, and it is imperative to manage and address such challenges effectively. Some of the risks identified are set out in the Management Discussion & Analysis Report which forms part of this Annual Report.

## INTERNAL CONTROL SYSTEMS

As per Section 134(5)(e) of the Act, the Directors have an overall responsibility for ensuring that your Company has implemented a robust system and framework of Internal Financial Controls. Your Company has an Internal Financial Controls ('IFC')

framework, commensurate with the size, scale, and complexity of your Company's operations. The Board of Directors of your Company is responsible for ensuring that IFC has been laid down by your Company and that such controls are adequate and operating effectively. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

Your Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism. Your Company has already developed and implemented a framework for ensuring internal controls over financial reporting. The framework includes entity level policies, process, and operating level controls & policies. The entity level policies include anti-fraud policies (like code of conduct, insider trading policy and whistle blower policy) inter alia others. Your Company has also prepared Risk Control Matrix (RCM) for each of its key processes, like, procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations, etc. During the year, controls were tested, and no reportable significant deficiency / material weakness was observed.

The Internal Audit team develops an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures, and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee. The Audit Committee reviews the reports submitted by the Internal Auditors in each of its quarterly meeting.

## CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries for FY 2023-24 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI Listing Regulations, 2015 as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The Audited Consolidated Financial Statements together with the Auditor's Report thereon form part of this Report. Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate annual accounts in respect of subsidiaries are available on the website of the Company.



## SHARE CAPITAL AND CHANGES IN CAPITAL STRUCTURE

The total Authorized Share Capital of your Company is ₹ 1,050 Million divided into 7,00,00,000 equity shares of ₹ 10/- each and 3,50,00,000 preference shares of ₹ 10/- each.

During the year under review, 1,81,380 equity shares of ₹ 10/- each were allotted to the employees pursuant to the exercise of options under the Employee Stock Option Scheme 2011. This resulted in a change in the total paid-up Equity share capital from ₹ 663.54 Million to ₹ 665.35 Million.

Further, during the year under review, the Promoters of the Company divested part of their shareholding through open market sale to achieve the requirement of having Minimum Public Shareholding (MPS) i.e., equity shares of the Company held by public is more than twenty-five per cent. of the total shareholding, in terms of Rule 19(2)(b) and 19(A) of Securities Contracts (Regulation) Rules, 1957, Regulation 38 of SEBI Listing Regulations, 2015 and other relevant circulars.

As on March 31, 2024, the total paid up Equity share capital of your Company is ₹ 665.35 Million divided into 6,65,35,492 equity shares of ₹ 10/- each. The total shareholding of the Promoter(s) of your Company is 74.79% and none of the Promoters/ Promoter Group shareholding is under pledge. Further, in compliance with Regulation 31(2) of SEBI Listing Regulations, 2015, the entire shareholding of promoter(s) is in dematerialized form.

## TRANSFER TO GENERAL RESERVES

Your Directors do not propose to transfer any amounts to the general reserves of your Company, instead have recommended to retain the entire amount of profits for the financial year ended March 31, 2024, in the profit and loss account.

Your Company did not have any amounts due or outstanding as at the Balance Sheet date to be credited to the Investor Education and Protection Fund.

## EMPLOYEE STOCK OPTION SCHEME - 2011

In view of the regulatory changes with the introduction of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Members of your Company approved the amendments /modifications in the existing provisions of 'Employee Stock Option Scheme-2011 ("ESOP-2011") in accordance with the aforesaid regulations vide postal ballot dated April 03, 2022. Your Company received in-principle approval from the Stock Exchanges for the said scheme.

During the year under review, the Nomination and Remuneration Committee of your Company has approved the allotment of 1,81,380 Equity Shares to employees of your Company under ESOP-2011 under various tranches. Your Company received listing and trading approval from the Stock Exchanges for the aforesaid shares.

The objective of ESOP-2011 is to attract, retain and motivate the best available talent by way of rewarding employee stock options

for their performance and to motivate them to participate in the growth of your Company, besides creating long term wealth in their hands. Accordingly, Options had been granted from time to time to the eligible employees of your Company.

The details as required to be disclosed under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available at <https://www.tegaindustries.com/AGM/ESOPdisclosure2024.pdf>.

## DEPOSITS

Your Company has not accepted any deposits from the public and consequently, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014 as on March 31, 2024.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Statement in Form AOC-1 containing the salient features of the financial statement of your Company's subsidiaries and joint ventures pursuant to the first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, SEBI Listing Regulations, 2015 and in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS Rules') read with Schedule III to the Act, Consolidated Financial Statements prepared by your Company includes the financial information of its subsidiary companies.

A Report on the performance and financial position of each of the subsidiaries included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, forms part of the annual accounts of each of the subsidiary companies and forms part of Form AOC-1. The said Report is not repeated here for the sake of brevity. Members interested in obtaining a copy of the annual accounts of the subsidiaries may write to the Company Secretary at the email id [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com).

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on your Company's website [www.tegaindustries.com](http://www.tegaindustries.com).

As on March 31, 2024, the Company had eleven (11) subsidiaries (one in India and ten overseas) and one (1) Joint Venture. There has been no material change in the nature of the business of the subsidiaries. During the year under review, Edoctum Peru S.A.C., step down Subsidiary of Tega Industries Chile SpA was dissolved w.e.f. January 20, 2024, and Tega Industries Peru SAC, a Subsidiary of Tega Industries Chile SpA was incorporated w.e.f. January 23, 2024.

Your Company has formulated a Policy for determining Material Subsidiaries in accordance with SEBI Listing Regulations, 2015.

The said policy is available on your Company's website at the following link: [www.tegaindustries.com/investors/policies/policy\\_for\\_determining\\_material\\_subsidiaries.pdf](http://www.tegaindustries.com/investors/policies/policy_for_determining_material_subsidiaries.pdf).

## RELATED PARTY TRANSACTIONS

During the year under review:

- a) all contracts / arrangements / transactions entered by your Company with related parties were in its ordinary course of business and on an arm's length basis.
- b) there were no material related party transactions which required prior approval of the Members.
- c) your Company had not entered into any contract / arrangement / transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.
- d) there were no materially significant related party transactions which could have potential conflict with the interests of your Company at large.

The Policy was amended by the Board during the year, inter alia, in order to bring the existing Policy in alignment with the applicable rules and regulations. The amended Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on your Company's website at following web-link: [https://www.tegaindustries.com/investors/policies/policy\\_on\\_related\\_party\\_transactions.pdf](https://www.tegaindustries.com/investors/policies/policy_on_related_party_transactions.pdf).

Members may refer to relevant notes of the Standalone Financial Statements which sets out related party disclosures pursuant to Ind AS.

## INTER-CORPORATE LOANS AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of your Company is available at [www.tegaindustries.com](http://www.tegaindustries.com).

## CREDIT RATING

The Company has obtained credit ratings for the credit facilities sanctioned to it and the strong ratings ascribed by the Rating Agencies reflect the Company's financial discipline and prudence in management.

As on the date of this report, CRISIL Ratings Limited has upgraded the ratings of the Company as follows:

Long Term Rating	CRISIL AA-/Stable
Short Term Rating	CRISIL A1+

## BOARD MEETINGS

Your Company follows the practice of drawing up an annual calendar for Board and Committee Meetings to ensure the presence of maximum number of Directors in all the Meetings. The primary business of the Board consists of evolving strategy, annual business plans, review of actual performance and course correction, and any other matter as may be deemed fit. The role of the Board also includes structuring, investment, and business re-organization. Matters such as capital expenditure, recruitment of senior level personnel, safety and environment, HR related developments, compliance with status and risk management are also reviewed by the Board from time to time.

Your Company's commitment to good governance practice allows the Board to effectively perform these functions. Your Company ensures that timely and relevant information is made available to all the Directors in order to facilitate their effective participation and contribution during the meetings and discussions.

Eight (8) Board Meetings were held during FY 2023-24, the details of which are given in the Corporate Governance Report attached to this Report. The maximum time gap between any two (2) consecutive meetings did not exceed one hundred twenty (120) days.

## COMMITTEES OF THE BOARD

Pursuant to various requirements under the Act and the SEBI Listing Regulations, 2015, the Board of Directors has constituted/reconstituted (whenever necessitated) various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. During the year under review, there were no instances when the recommendations of the Committees were not accepted by the Board.

Further, two Committees have been constituted by the Board of Directors - (i) Finance & Operations Committee, for operational convenience in handling day to day banking and operations related matters and (ii) Sustainability Committee, to oversee and drive sustainability initiatives within the organization.

The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

## DIRECTORS

The term of Mr. Syed Yaver Imam (DIN: 00588381) as a Wholetime Director of your Company concludes on May 31, 2024. Further, Mr. Imam was appointed as an Additional Director (Category: Non-Executive Non-Independent) of your Company by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee w.e.f. June 01, 2024, to hold office till the conclusion of this 48<sup>th</sup> Annual General Meeting (AGM) in terms of Section 161 of the Act and rules made thereunder.



In accordance with the provisions of Section 152 of the Act and the relevant rules and your Company's Articles of Association, Mr. Madan Mohan Mohanka (DIN: 00049388) retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The brief resume/details relating to Director(s) who are proposed to be appointed/re-appointed are furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors.

Your Company has received a declaration from each of the Independent Directors under Section 149(7) of the Act and Regulation 25(8) of SEBI Listing Regulations, 2015 that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations, 2015 and that he/she is not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective of independent judgement and without any external influence. With regard to integrity, expertise and experience (including the proficiency) of the Independent Director appointed/re-appointed, the Board of Directors are of the opinion that all the Independent Directors are persons of integrity and possess relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of your Company. All requisite declarations were presented before the Board. Further, the Board of Directors, took on record the declaration and confirmation submitted by the Independent Directors under Regulation 25(8) of SEBI Listing Regulations, 2015, after undertaking due assessment of the veracity of the disclosures submitted. Further, at the time of appointment of Independent Directors, a formal letter of appointment is given to the Director, inter alia explaining the role, duties, and responsibilities of the Director. Disclosures w.r.t. Familiarisation programmes for Independent Directors are available on the link: [https://www.tegaindustries.com/investors/policies/policy\\_on\\_familiarization\\_programme\\_for\\_independent\\_directors.pdf](https://www.tegaindustries.com/investors/policies/policy_on_familiarization_programme_for_independent_directors.pdf).

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2019 ('the Rules') effective from December 01, 2019, the Independent Directors of your Company have registered themselves with the Databank maintained by the Indian Institute of Corporate Affairs (IICA) and their names presently stands included in the Databank of IICA. The Independent Directors have successfully qualified the Online Proficiency Self-Assessment Test, as may be applicable.

### KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Sharad Kumar Khaitan was appointed as the Chief Financial Officer of your Company with effect from July 10, 2023.

Mr. Syed Yaver Imam (DIN: 00588381) shall cease to be a Key Managerial Personnel of your Company with effect from June 01,

2024, post conclusion of his term as a Wholetime Director of your Company on May 31, 2024.

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the Key Managerial Personnel of the Company as of March 31, 2024 -

- 1) Mr. Madan Mohan Mohanka (DIN: 00049388), Chairman & Wholetime Director
- 2) Mr. Mehul Mohanka (DIN: 00052134), Managing Director and Group CEO
- 3) Mr. Syed Yaver Imam (DIN: 00588381), Whole time Director
- 4) Mr. Sharad Kumar Khaitan, Chief Financial Officer
- 5) Ms. Manjuree Rai, Global Head - Legal & Compliance, Company Secretary & Compliance Officer.

### BOARD EVALUATION

Pursuant to the provisions of the Act and Regulation 17 of the SEBI Listing Regulations, 2015, the Board has carried out the evaluation of its own performance and that of its committees as well as evaluation of performance of the individual directors. Further, the Independent Directors at their meeting reviewed the performance and role of non-independent directors and the Board as a whole and Chairperson of your Company. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report attached to this Report.

### NOMINATION & REMUNERATION POLICY

The Board of Directors of your Company have adopted a Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees based on the recommendation of the Nomination & Remuneration Committee pursuant to the provisions of Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations, 2015. This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel (KMPs) and other employees. The Policy may be accessed on the link - [https://www.tegaindustries.com/investors/policies/nomination\\_and\\_remuneration\\_policy.pdf](https://www.tegaindustries.com/investors/policies/nomination_and_remuneration_policy.pdf).

### VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has devised an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to communicate their concerns about illegal or unethical practices freely. The Company has also established a vigil mechanism for stakeholders to report concerns about any unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

Your Company has formulated a codified Whistle-Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, 2015, in order to encourage Directors and Employees of your Company to escalate to the level of the Audit Committee any issue or concerns impacting and compromising with the interest of your Company and its stakeholders in any way. Your Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimisation, for whistle blowing in good faith. The Policy was amended by the Board during the year, inter alia, to include the subsidiaries of the Company in its purview. The amended Policy is available on your Company's website at [https://www.tegaindustries.com/images/articles/pdf/Whistle\\_Blower\\_Policy.pdf](https://www.tegaindustries.com/images/articles/pdf/Whistle_Blower_Policy.pdf). Further, no complaints were reported under the Vigil Mechanism during the year.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has a zero tolerance for sexual harassment at workplace and has adopted a policy viz., Policy on Prevention of Sexual Harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'). Your Company is also in compliance with the provisions of the POSH Act, with respect to the constitution of Internal Complaints Committee.

During the year, your Company received One (1) complaint of sexual harassment which was disposed off, following the due process as per the laid down policy. The said policy is available on the website of your Company at [https://www.tegaindustries.com/images/articles/pdf/POSH\\_Policy.pdf](https://www.tegaindustries.com/images/articles/pdf/POSH_Policy.pdf). To build awareness in this area, the Company has been conducting awareness sessions during induction of new employees and also periodically for permanent employees, third-party employees and contract workmen through online and in person sessions.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of your Company. Any member interested in obtaining such information may address their email to [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com).

## MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of your Company between the end of the financial year i.e. March 31, 2024, and the date of this Report.

## CORPORATE GOVERNANCE

In terms of the provisions of Regulation 34(3) of the SEBI Listing Regulations, 2015, the Corporate Governance Report and the Certificate on the compliance of conditions of Corporate Governance forms part of the Annual Report and are given separately as **Annexure - IV**.

## STATUTORY AUDITORS AND THEIR AUDIT REPORT

Pursuant to the applicable provisions of the Act, the members at their 44<sup>th</sup> Annual General Meeting (AGM) held on October 20, 2020 appointed M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants (Firm Registration No. 007567S/S-200012), as the Statutory Auditors of your Company to hold office from the conclusion of the 44<sup>th</sup> AGM until the conclusion of the 49<sup>th</sup> AGM of your Company to be held in the year 2025.

The reports given by the Statutory Auditors, M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants on the standalone and consolidated financial statements of your Company for the year ended March 31, 2024 forms part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of your Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

## COST AUDITORS

As per Section 148 of the Act, your Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Accordingly, the Board of Directors of your Company has, on the recommendation of the Audit Committee on May 23, 2024, approved the appointment of M/s Mani & Co. as the Cost Auditors of your Company for the Financial Year ended March 31, 2025. As required under the Act, a resolution seeking ratification of the remuneration payable to the Cost Auditors forms part of the Notice convening the ensuing Annual General Meeting for FY 2023-24.

## SECRETARIAL AUDITORS

As per Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to have the audit of its secretarial records conducted by a Company Secretary in Practice.

Accordingly, your Company appointed Mrs. Sweety Kapoor, Practising Company Secretary (Membership No. FCS 6410, Certificate of Practice No. 5738) holding a Peer Review Certificate No. 660/2020 as the Secretarial Auditor of your Company for Financial Year 2023-24 to conduct the Secretarial Audit pursuant



to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark or disclaimer and the same forms part of the Annual Report as **Annexure - V**.

## COMPLIANCE OF SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems were adequate and operating effectively.

Your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act and Regulation 18 of the SEBI Listing Regulations, 2015 in the preparation of the annual accounts for the year ended March 31, 2024, and state that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
  - (ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for the year;
  - (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
  - (iv) they have prepared the annual accounts for the financial year ended March 31, 2024, on a going concern basis;
- (v) they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively;
  - (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws to your Company and the systems are adequate and operating effectively.

## GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Issue of Equity shares with differential rights as to dividend, voting or otherwise.
- There has been no change in the business of your Company.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There is no instance of one-time settlement with any Banks/ financial institutions.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## ACKNOWLEDGEMENTS

The Directors appreciate the hard work, dedication, and commitment of all its employees including workmen at the plants towards the success of the Company. The Directors also acknowledge the support extended by the Company's Shareholders and would also like to thank the financial institutions, banks, government authorities, customers, vendors and other stakeholders for their continued support and co-operation.

**On behalf of the Board of Directors**

**Sd/-**  
**Madan Mohan Mohanka**  
 Chairman  
 DIN: 00049388

Place: Kolkata  
 Date: May 23, 2024

# ANNEXURE I

## Business Responsibility & Sustainability Report

### SECTION A: GENERAL DISCLOSURE

#### Part I - Details of Listed Entity

1. Corporate Identity Number (CIN) of the Listed Entity	L25199WB1976PLC030532
2. Name of the Listed Entity	TEGA INDUSTRIES LIMITED
3. Year of incorporation	1976
4. Registered office address	Godrej Waterside, Tower-II, Office No. 807, 8 <sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata, West Bengal, 700091 IN
5. Corporate address	Godrej Waterside, Tower-II, Office No. 807, 8 <sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata, West Bengal, 700091 IN
6. E-mail	compliance.officer@tegaindustries.com
7. Telephone	+91 33 4093 9000
8. Website	www.tegaindustries.com
9. Financial year for which reporting is being done	2023-2024
10. Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>National Stock Exchange of India Ltd. (NSE)</li> <li>BSE Limited</li> </ul>
11. Paid-up Capital	INR 66,53,54,920
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<p>Manjuree Rai            Company Secretary &amp; Compliance Officer            Email id: compliance.officer@tegaindustries.com            Telephone No.: +91 33 4093 9000</p>
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14. Name of assurance provider	Not Applicable
15. Type of assurance obtained	Not Applicable

#### Part II - Products/Services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% Turnover of the entity
1.	Products manufacturing	Manufacturing & Sales of Conveyor components, Hydrocyclones, Screen, Wear Components, Mill liners and others.	100%

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

Tega Industries Limited (*hereinafter as "Tega" or "TIL"*) is in the production of heavy engineering equipment & ancillaries, which are as mentioned in the table below. Since, no individual product that is manufactured by TIL, attributes to 90% of the entity's turnover, a detailed break-up of the contribution of the type of products that are manufactured have been provided below:

Sl. No.	Product/Service	Description of Business Activities	NIC/HSN/SAC Code	% Of total Turnover Contributed
1.	Mill Liner Products	DynaPrime®, DynaSteel, DynaWear and DynaPulp	28246	75.4%
2.	BMH (Bulk Material Handling) Products	Conveyor components, Hydrocyclones, Wear Components and Screen & Trommels	28246	24.6%



### Part III – Operations

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

Locations	Number of Plants	Number of Offices	Total
National	3 (Three)	18 (Eighteen)	21 (Twenty-One)

#### 19. Markets served by the entity:

##### a. Number of Locations

Locations	Numbers
National (No. of States)	12 (Twelve)
International (No. of Countries)	72 (Seventy-Two)

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports to the total turnover of the Company, on a stand-alone basis comprises of **79.5%** (*Seventy-nine point five percent*).

##### c. A brief on types of customers:

TIL caters to the customer segments across industries such as - *steel, power, cement, iron ore, copper, zinc, aluminium, ceramic, port, chemicals, fertilizers, gold, platinum & aggregate*. At a broader level, TIL encompasses the bulk material handling, mining & mineral processing industries.

### Part IV – Employees

#### 20. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		(B)	%(B/A)	(C)	%(C/A)
<b>EMPLOYEES</b>					
1. Permanent (D)	509	465	91.00	44	9.00
2. Other than permanent (E)	48	47	98.00	1	2.00
<b>3. Total Employee (D+E)</b>	<b>557</b>	<b>512</b>	<b>92.00</b>	<b>45</b>	<b>8.00</b>
<b>WORKERS</b>					
4. Permanent (F)	193	193	100.00	0.00	0.00
5. Other than permanent (G)	835	834	99.88	1	0.12
<b>6. Total Workers (F+G)</b>	<b>1028</b>	<b>1027</b>	<b>99.90</b>	<b>1</b>	<b>0.10</b>

##### b. Differently abled Employees and workers:

At TIL, for the reporting period of FY 2023-24 the headcount of differently abled employees and workers (permanent or non-permanent) inclusive both male and female is **1 (one)** in number and details are disclosed below:

Particulars	Total (A)	Male		Female	
		(B)	%(B/A)	(C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
1. Permanent (D)	1	1	100	0	0
2. Other than permanent (E)	0	0	0	0	0
<b>3. Total Employee (D+E)</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>					
4. Permanent (F)	0	0	0	0	0
5. Other than permanent (G)	0	0	0	0	0
<b>6. Total Workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 21. Participation/Inclusion/Representation of women:

Particulars	Total(A)	Number and percentage of Female	
		(B)	%(B/A)
Board of Directors (BoDs)*	6	1	16.66%
Key Management Personnel (KMPs)	5	1	20.00%

\*inclusive of independent directors

**22. Turnover rate for permanent employees and workers (in %):**

Particulars	FY 2023-2024			FY 2022-2023*			FY 2021-2022*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.59	11.11	13.40	18.80	30.43	19.40	16.54	41.03	17.67
Permanent Workers	8.38	0.00	8.38	7.77	0.00	7.77	10.69	0.00	10.69

\*figures of permanent employees that have been reported in previous report have been corrected

**Part V - Holding, Subsidiary and Associate Companies (including joint ventures)****23. Names of holding / subsidiary / associate companies / joint ventures:**

Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Tega Industries Inc.	Subsidiary	100%	No
Tega Industries Australia Pty Ltd.	Subsidiary	100%	No
Tega Industries Canada Inc.	Subsidiary	100%	No
Tega Do Brasil Servicos Technicos Ltda	Subsidiary	99.99%	No
Tega Holdings Pty Ltd.	Subsidiary	100%	No
Losugen Pty Ltd.	Subsidiary	100%	No
Tega Industries Chile SpA and its subsidiaries	Subsidiary	100%	No
Tega Investments South Africa Proprietary Limited	Subsidiary	100%	No
Tega Industries Africa Proprietary Limited	Subsidiary	100%	No
Tega McNally Minerals Limited	Subsidiary	100%	No
Tega Holdings Pte. Ltd.	Subsidiary	100%	No
Hosch Equipment (India) Limited	Joint Venture	50%	No

**Part VI - CSR Details**

24. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes  
(ii) **Turnover (in ₹):** 7,368.40 Million (revenue through sales - other income is not included)  
(iii) **Net worth (in ₹):** 11,455.16 Million

**Part VII - Transparency & Disclosure Compliances****25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024 (Current Financial Year)			FY 2022-2023 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year*	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees and workers	Yes	2	0	NA	3	0	NA
Customers	Yes	161	35	NA	121*	69*	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA

Please refer to the weblink provided below:

**Web link:** [https://www.tegaindustries.com/investors/policies/business\\_responsibility\\_&\\_sustainability\\_policy.pdf](https://www.tegaindustries.com/investors/policies/business_responsibility_&_sustainability_policy.pdf)

\*These figures have been revised on account of error in the system, which was observed later in FY 23/24, post reporting of data in the FY 22/23. Of these 121 number of complaints, 69 number of complaints, were pending until the closure of FY 22/23. Of these 69 number of complaints, 66 have been resolved in FY 23/24. Further of the 161 new number of complaints of FY 23/24, 35 number of complaints are still awaiting resolution.

The complaints mentioned in the segment "Employees and Workers" comprises of workers complaint only.

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Possibility of non-alignment of the existing Human Rights policy of Tega with the emerging global Environmental, Social and Governance (hereinafter as 'ESG') requirements that may lead to non-compliance with applicable ESG norms that are emerging from sustainability centric sensitive geographies.	Risk	Alignment of existing Human Rights policy in Tega with emerging global ESG requirements in geographies, wherein the company has business relationship.	Tega has implemented a social accountability framework as per SA 8000:2014 standard and has also included relevant human rights related clause in supplier code of conduct, apart from imparting training to the suppliers. In addition to the above, Tega intends to conduct the following: <ul style="list-style-type: none"> <li>Assess the applicability and alignment of Tega with the emerging ESG norms,</li> <li>To continuously monitor the ESG performance of the value chain partners.</li> </ul>	Negative – <ul style="list-style-type: none"> <li>Loss of business opportunities,</li> <li>Cascading impact on business of Tega on account of potential human rights violations, if any, emerging from Tega's value chain.</li> </ul>
2.	Inclusion of sustainable criteria in new product development is important for TIL, as it has the possibility to result in more acceptance in the market and brand penetration, apart from boosting the growth of TIL.	Opportunity	Through incorporating of sustainable criteria into new product development, Tega aims to remain competitive in view of growing ESG norms emerging from sustainability sensitive centric geographies.	-	Positive – <ul style="list-style-type: none"> <li>Reduction of its environmental impact,</li> <li>Improve customer satisfaction,</li> <li>Enhanced reputation, and</li> <li>Increased competitive advantage.</li> </ul>
3.	Empowering and funding communities that are marginalized and disadvantaged by working in 'aspirational districts' of Govt. of India in collaboration with the implementing partners and the target beneficiaries, followed by conducting review to assess the impacts that have resulted from the implementation of the projects, followed by communication of the impacts accrued to the concerned stakeholders of Tega.	Opportunity	Empowering and funding marginalized communities is important for TIL, for disclosing its social responsibility in community development, economic empowerment, and in addressing inequality and in building trust. Currently, it is implementing CSR projects in Kalyani, a small town in the aspirational district of Nadia.	-	Positive – <ul style="list-style-type: none"> <li>Fosters mutual respect,</li> <li>Social inclusion and in co-creating impactful solutions,</li> <li>Improves the confidence of investors, who focusses investing in organizations based on social performance.</li> </ul>



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Contractor Safety Management System (CSMS) needs to be developed and implemented, for improved environment, health and safety culture and credibility.	Opportunity	A Contractor Safety Management System (CSMS) is essential for ensuring the safety of all stakeholders involved in contractor activities.	Tega aims to de risk (OH&S) activities that the contractors are engaged in, through determining the degree of risk it is likely to be exposed to. This would be followed by developing code of conduct for onboarding such vendors and monitoring their activities and performance.	Positive – <ul style="list-style-type: none"> <li>Improves better OH&amp;S performance,</li> <li>Better OH&amp;S governance,</li> <li>Reduced financial and extra financial burden,</li> <li>Improved risk mitigation.</li> </ul>
5.	The Information & Cyber security framework needs to be strengthened with adequate cybersecurity layers supported by protection mechanisms, which could otherwise result in data breaches.	Risk	Strengthening of the Information & Cyber security framework.	Tega has planned to upgrade Active Directory (AD) landscape and adopt other relevant cybersecurity and infrastructure solutions to store and manage critical / sensitive business information which can be only accessed by authorized users. This shall result in the following benefits: <ul style="list-style-type: none"> <li>Shall lead to reduced vulnerability to cyberattacks and data breaches.</li> <li>Reduces operational downtime.</li> <li>Reduced loss of classified and or sensitive information on account of data leaks and system compromises.</li> <li>Reduced legal and financial penalties for non-compliance.</li> </ul>	Negative – <ul style="list-style-type: none"> <li>Loss of revenue,</li> <li>Loss of confidential data,</li> <li>Regulatory Impact.</li> </ul>
6.	Conducting Sustainability Materiality Assessment to identify risks/opportunities for targeted stakeholders, not only facilitates in identifying non-compliances but also provides an opportunity to proactively implement measures that are in adherence with legal requirements, by devising strategies that shall result in mitigation / adaptation of risks or capitalization of opportunities.	Opportunity	It is imperative for TIL to conduct a Sustainability Materiality Assessment to identify risks and opportunities and correspondingly work towards mitigation of risk or capitalizing the opportunities.	-	Positive – <ul style="list-style-type: none"> <li>Improved decision-making,</li> <li>More engagement of stakeholders,</li> <li>Manage ESG parameters,</li> <li>Ensure transparency and accountability,</li> <li>Enhance long-term success,</li> <li>Regulatory compliance,</li> <li>Improved investor trust.</li> </ul>

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Conducting EHS & Social legal assessment on a periodic basis facilitates TIL to identify the lurking risks and opportunities. Such risks need to be mitigated to prevent them from aggravating into serious matters. Simultaneously, opportunities if any, needs to be capitalized.	Opportunity	Creating ESG and EHS legal reports presents an opportunity to demonstrate transparency, ensure legal compliance, and maintain stakeholder trust by providing accurate and timely disclosures of the organization's legal and regulatory compliance status.	-	Positive - <ul style="list-style-type: none"> <li>Ensure compliance,</li> <li>Improved risk management,</li> <li>Improved stakeholders' trust and confidence,</li> <li>Gain a competitive advantage,</li> <li>Ensuring long-term success,</li> <li>Maintain a positive reputation.</li> </ul>
8.	Non-inclusion / absence of ESG aspects in supply chain 'code of conduct' prior to onboarding of suppliers, may lead to non-identification of lurking risks and liabilities, thereby resulting in higher 'cost of neutralization' of the ESG liabilities by Tega.	Risk	ESG aspects in supply chain needs to be assessed to ascertain whether the supply chain operations can have a cascading negative impact on Tega's business activities.	<ul style="list-style-type: none"> <li>Tega has taken a step forward to obtain SA 8000 certification by addressing the 'S' dimension of ESG in the assessment of social matters of its own and of its contractors, in its value chain.</li> <li>Tega would now take a step forward and review the ESG performance of its selected value chain partners.</li> </ul>	Negative - <ul style="list-style-type: none"> <li>Risks emanating from supply chain,</li> <li>Loss of stakeholders' trust and confidence.</li> </ul>
9.	Lack of awareness on ESG matters could potentially lead to lack of understanding of the emerging global ESG norms for conducting business; and thereby lead to inappropriate implementation of ESG matters.	Opportunity	By incorporating ESG into training and development activities, TIL would ensure that the workforce is aware and aligned with the ESG requirements in their respective operational domains.	-	Positive - <ul style="list-style-type: none"> <li>Improves understanding of sustainability-based business requirements,</li> <li>Foster innovation and demonstration of commitment to sustainability,</li> <li>Contribute to long-term success and growth trajectory.</li> </ul>
10.	Obtaining ESG Rating from independent agencies shall boost investor confidence and facilitate in better investment opportunities, as well as reduced interest rates from financial institutes.	Opportunity	ESG rating facilities in better investment opportunities and reduced interest rates from financial institutes.	-	Positive - <ul style="list-style-type: none"> <li>Boost investor confidence, thereby, facilitating better investment opportunities, and</li> <li>Reduced interest rates from financial institutes.</li> </ul>

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
1. b. Has the policy been approved by the Board? (Yes/No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
1. c. Web Link of the Policies, if available	TIL has formulated and approved the policies in alignment with the nine guiding principles and corresponding core elements of National Guidelines on Responsible Business Conduct (NGRBC). The policies are available at - <a href="https://www.tegaindustries.com/investors/policies/business_responsibility_&amp;_sustainability_policy.pdf">https://www.tegaindustries.com/investors/policies/business_responsibility_&amp;_sustainability_policy.pdf</a> .								
2. Whether the entity has translated the policy into procedures? (Yes / No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	YES	YES	YES	YES	YES	YES	YES	YES	YES
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>At TIL, the policies have been developed in alignment with National Guidelines on Responsible Business Conduct (NGRBC). The organization confirms its commitment through certifications against national and international standards such as -</p> <ul style="list-style-type: none"> <li>• ISO 9001:2015 – Quality Management System</li> <li>• ISO 45001:2018 – Occupational Health and Safety</li> <li>• ISO 14001:2015 – Environment Management System</li> </ul> <p>On an annual basis surveillance audit is being conducted by third party certification agencies, in addition to internal audit for ISO 9001:2015; ISO 45001:2018; ISO 14001:2015.</p> <p>Tega has also implemented SA 8000:2014 standard.</p>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	TIL has identified wide range of risk and opportunity that its internal and external stakeholders have identified which are material to the business of TIL. TIL is in the process of developing appropriate commitments, goals, and targets across the facets of ESG parameters. These commitments, goals, and targets are being established through both internal and external stakeholder consultation program.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	TIL has developed appropriate ESG commitments, goals and targets and timelines have been given for each of the goals and targets. The efficacy, appropriateness and robustness shall be ascertained as the goals and targets are achieved, as per the defined timelines. Thus, at this juncture, disclosures against the performances of such indicators is 'Work in Progress.'								
<b>Governance, Leadership &amp; Oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>TIL envisions to ensure that humans and the natural world can coexist in a sustainable manner in the future, for which businesses must act responsibly by incorporating sustainability into all facets of its decision-making processes and taking into account its effects on the environment and society as a whole. At TIL, we've started the process of changing and focusing on creating value, in terms of sustainable performance.</p> <p>We work to increase stakeholders' trust in our Company, since they are fundamental to how we do business. We have therefore established a stakeholder engagement committee and identified our key stakeholder groups, which include both internal and external stakeholders, to better understand, address and document the concerns and expectations of the stakeholders. Additionally, we envision to identify the material KPIs by conducting a double materiality assessment and engaging and consulting with the relevant stakeholders. Further, we have been developing techniques for addressing the issues raised by stakeholders.</p> <p>At TIL, we have started taking steps to move towards a low-carbon future to fight climate change and comply with national and international climate change goals. To take forward our involvement in combatting climate change, one of these actions that we had taken, was the installation of renewable energy facilities, such as rooftop solar and solar fence, to lessen our indirect emission footprint. Realising that consumption and utilization of fossil fuels in operations is one of the main sources of direct emissions, as an outcome of our commitment, we have put policies in place, to switch over to cleaner fuels through fuel switches and dual-fired boilers.</p> <p>Following the epidemic, the world as we know it has changed. As conscientious corporate citizens, we have launched several CSR activities to improve society and local communities. Our goal is to build a sustainable future where people live in harmony in the natural world.</p>								



Disclosure Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Designation: Director – Global Operations (Member of Executive Committee)								
<b>9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.</b>	Yes. The Director of Global Operations has the authority to oversee the implementation of policies and decision-making pertaining to sustainability related issues.								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	All the policies of the Company are approved by the Board/ Committee and reviewed periodically or on a need basis. During the review, the effectiveness and appropriateness of the policies are evaluated, and necessary amendments are incorporated.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	The Company complies with the extent regulations and principles as are applicable.								

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
No	No	Partially Yes (SGS India- ISO 45001:2018)	No	No	Yes (SGS India- ISO 14001:2015)	No	No	No

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)*	Note 1* for P1, P2, P4 & P5 Note 4* for P3					No		Note 1*	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Note 1* for P1, P2, P4 & P5 Note 4* for P3					Yes		Note 1*	
It is planned to be done in the next financial year (Yes/No)						Note 2*		Note 2*	
Any other reason	NA	NA	NA	NA	NA	NA	NA	NA	NA

\* Note 1: While we have formulated policies that are in alignment with the NGRBC, we would like to gradually implement the same, as it would require investment of resources, in the form of money, time and manpower.

\*Note 2: The same shall be implemented at an appropriate time.

\*Note 3: The same is already under implementation.

\*Note 4: ISO 45001 – Health and Safety Management System has been implemented against principle # 3. However, there are a few other requirements that have been defined in Principle 3, which are yet to undergo third party independent assessment.

NA indicates Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### Essential indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	6	<ul style="list-style-type: none"> <li>Safety, health and Environment, POSH, Diversity &amp; Inclusivity</li> <li>Policies and procedures of the Company with respect to business ethics and values</li> <li>Updates on amendments of existing / introduction of new guidelines and provisions of SEBI Regulations applicable for Listed Entities</li> </ul>	100%
Key Management Personnel	7	<ul style="list-style-type: none"> <li>Safety, health and Environment, Diversity &amp; Inclusivity</li> <li>Policies and procedures of the Company with respect to POSH, Insider Trading, Code of Conduct and Whistle Blower</li> <li>Updates on amendments of existing / introduction of new guidelines and provisions of SEBI Regulations applicable for Listed Entities</li> </ul>	100%
Employees other than Board of Directors (BoDs) and Key Management Personnel (KMPs)	37	<ul style="list-style-type: none"> <li>Safety, health and Environment, POSH, Diversity &amp; Inclusivity</li> <li>Policies and procedures of the Company with respect to POSH, Insider Trading, Code of Conduct and Whistle Blower</li> <li>Updates on amendments of existing / introduction of new guidelines and provisions of SEBI Regulations applicable for Listed Entities</li> </ul>	83%
Workers	13	Safety, health and Environment, POSH, Diversity & Inclusivity	46%

*Post-listing on the BSE, the topic of sustainability in relation to all nine principles of BRSR was a new concept, necessitating the guidance of subject matter experts. To ensure comprehensive understanding, we organized numerous training sessions for all stakeholders, led by these experts. Additionally, to address the behavioural aspects of sustainability, we conducted several Tega Talks focused on this critical subject.*

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

No fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings by the Company or by directors / KMPs with regulators/ law enforcement agencies/ judicial institutions have been received in the financial year.

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases here monetary or non-monetary action has been appealed:

Not Applicable, since no instances of fines / penalties /punishment/ award/ compounding fees/ settlement amount had been paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.

#### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

TIL has a Code of Conduct which includes both these aspects details of which can be found by clicking on the weblink :<https://www.tegaindustries.com/investors/policies/Tega-Code-of-Conduct.pdf>.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

**6. Details of complaints with regard to conflict of interest:**

No complaints were received during the reporting period of FY 2023-24 and FY 2022-23 in line with 'conflict of interest' against Directors/KMPs.

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest:**

Since there were no complaints regarding conflict of interest against any of the Directors / KMPs, therefore response to this aspect stands 'Not Applicable'.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	97	69

**9. Openness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15.36%	9.95%
	b. Number of trading houses where purchases are made from	24	17
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	95%	97%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	6.88%	7.53%
	b. Number of dealers / distributors to whom sales are made	23	23
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	INR 103 Million	INR 112.05 Million
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.00055	0.00057
	b. Sales (Sales to related parties / Total Sales)	0.33	0.30
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	3.43%*	3.43%
	d. Investments (Investments in related parties / Total Investments made)	12.32%*	12.32%

\*no fresh loans and investments done in current financial year



### Leadership indicators

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Requirement to be explored for necessary reporting

Total number of awareness programmes held	Topics/ principles covered Under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

TIL has put in place the requisite procedures to prevent and handle conflicts of interest involving board members. The organization has a board-approved policy in place to handle conflicts of interest in accordance with relevant laws and guidelines.

The procedure to address conflict can be found in the Clause (ii) of "GENERAL STANDARDS OF CONDUCT" in 'Code of Conduct' for all members of the Board and senior management.

The weblink for the Code of Conduct for all members of the Board and senior management is: [https://www.tegaindustries.com/investors/policies/code\\_of\\_conduct\\_for\\_all\\_members\\_of\\_the\\_board\\_and\\_senior\\_management\\_.pdf](https://www.tegaindustries.com/investors/policies/code_of_conduct_for_all_members_of_the_board_and_senior_management_.pdf)

**PRINCIPLE 2** **Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>	<b>Details of improvement in social and environmental impacts</b>
<b>R&amp;D*</b>	0%	0%	<b>FY 2023-24</b> <ul style="list-style-type: none"> <li>Installation of Rotate-to-Lock for Screen Panels for reusing the same fixing parts, thereby ensuring minimization of waste generation.</li> </ul>
<b>Capex</b>	73.24%	1.43%	The value shown in the adjacent columns are percentage of capex in respect to ESG in comparison to total capex. Following are the items that contribute to the capex cost incurred on ESG matters. <ul style="list-style-type: none"> <li>Centralized drinking water facility with water cooler.</li> <li>Gutter Replacement-Utility shed.</li> <li>Water dispenser mini magic pure.</li> <li>Battery operated stackers for blasting, RM store, CC, Banbury and fabrication shop).</li> <li>STP System.</li> <li>Lifeline for all the shed.</li> <li>Roof Sheet &amp; Valley gutter replacement and shed repairing.</li> <li>New portable worker change room for Workmen for new Banbury.</li> <li>Worker's Lockers.</li> </ul>

\*Currently, the investment is insignificant

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The entity has taken steps to implement packaging material that is biodegradable. In the near future, the Company plans to implement a sustainable sourcing procedure.

- b. **If yes, what percentage of inputs were sourced sustainably?**

Currently, bio-degradable packaging material is being sourced.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

TIL has made several efforts to enhance waste management procedures throughout its operations since it is a firm believer in going beyond compliance. All organizations evaluate several possibilities for resources, technologies, and processes to limit the generation of waste.

The business has put in place proper procedures for disposing off wastes that is generated from its operations. TIL provides safety manuals to customers for products that are manufactured and sold to end users. These manuals include comprehensive instructions on responsible usage, consumption, and disposal of the product at the end of its lifecycle. Additionally, TIL emphasises adherence to local regulations as far as product disposition is concerned.

In every six months the organisation disposes the hazardous waste produced through RAMKEY, a vendor certified by the Pollution Control Board (PCB). Additional garbage produced is disposed off by a nearby scrap dealer.

The use of plastic at manufacturing facility at Dahej, is limited to essential processes. Process-generated plastic trash is disposed off by the GPCB (Gujarat Pollution Control Board)-approved vendor, who then recycles it in accordance with GPCB guidelines. Additionally, e-waste generated handed over to GPCB-approved vendor, recycles it in accordance with GPCB regulations. Rubber that has been partially and fully cured (also known as flash and spline) as a byproduct of making mill liners is handed over to GPCB-approved vendor, who then recycles and recovers the rubber for use in accordance with GPCB guidelines.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

**YES**, Extended Producer Responsibility (EPR) is applicable to the entity's activities. TIL submits its waste collection plan, which is in line with the Extended Producer Responsibility (EPR) plan to Pollution Control Board (PCB).

**PRINCIPLE 3** Businesses should respect and promote the well-being of all employees, including those in their value chains.

**Essential indicators**

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	465	429	92.26%	465	100%	-	-	-	-	-	-
Female	44	42	95.45%	44	100%	44	100%	-	-	-	-
<b>Total</b>	<b>509</b>	<b>471</b>	<b>92.53%</b>	<b>509</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Employees</b>											
Male	47	36	76.60%	47	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
<b>Total</b>	<b>48</b>	<b>37</b>	<b>77.08%</b>	<b>48</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	193	102	53%	193	100%	NA	NA	-	-	-	-
Female	0	0	0%	0	0	0	0	-	-	-	-
<b>Total</b>	<b>193</b>	<b>102</b>	<b>53%</b>	<b>193</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Workers</b>											
Male	834	0	0%	0	0%	0	0%	-	-	-	-
Female	1	0	0%	0	0%	0	0%	-	-	-	-
<b>Total</b>	<b>835</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NA indicates Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 2023-24* Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	10.7%	9.35%

\*includes salaries, wages, provident fund and other funds and staff welfare expenses

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted / deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.1%^	100%	YES	98.8%^	98.4%^	YES
Gratuity	100%	100%	YES	100%	100%	YES
ESI	7.47%	47%	YES	10.98%	56.33%	YES

^The percentage is less than 100% since we have some people who are employed as retainers. The same has therefore been corrected in comparison to the previous report.



### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

TIL is committed to fostering an inclusive and accessible work environment for all employees, in compliance with the Rights of Persons with Disabilities Act, 2016 (RPWD Act). Key measures have been implemented at the office premises that includes:

- **Accessible infrastructure:** Wheelchair ramps, wide doorways, and designated parking spaces ensure ease of movement for employees and visitors with differently abled people.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

TIL always envision of promoting equal opportunity as per the Rights of Persons with Disabilities Act, 2016 and the same can be found in 'Code of Conduct' under equal opportunities employer.

Weblink- <https://www.tegaindustries.com/investors/policies/Tega-Code-of-Conduct.pdf>

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees*		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100	0	-	-
<b>Total</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*Only one permanent employee had left and returned to work after maternity leave, and she was the only one scheduled to return.

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	YES/NO (If YES, then give details of the mechanism in brief)
Permanent employees	Yes*
Non-permanent employees	Yes*
Permanent workers	Yes*
Non-permanent workers	Yes*

\*Details of mechanism given below:

- **Permanent employees:** Provision of committees available, acting a platform for grievances redressal.
- **Non-permanent employees:** EHS committee.
- **Permanent Workers:** Provision and availability of redressal committee, EHS committee, works committee, which act as a platform to resolve transactional or strategic issues.
- **Non-Permanent Workers:** Provision and availability of redressal committee, EHS committee, works committee, which act as a platform to resolve transactional or strategic issues.

TIL has appropriate processes and procedures have been established to receive and redress grievances from employees (permanent & non-permanent) and workers (permanent & non-permanent). Currently at TIL, the mechanism to capture grievances of the employees comprises of whistle-blower mechanism and the POSH, both of which have board approved policies and procedures implemented.

The mechanism of whistle-blower comprises of lodging of complaints by the employee within 30 days after becoming aware of the incident, which is then investigated by the vigilance officer followed by submission of the same to the vigilance committee. The committee then conducts an internal audit, wherein if unethical & improper act is concluded by the committee, then the audit committee enforces disciplinary or corrective action.

The mechanism of POSH comprises of lodging of detailed complaint along with documentary evidence, if available. Post receipt of the complaint and prior to initiating the inquiry, the committee take steps to conciliate the complaint between the complainant and the respondent. During inquiry all the proceedings are documented, and the committee interviews the respondent separately and impartially. Committee states exactly what the allegation is and who has made the allegation. The respondent is given full opportunity to respond and provide any evidence, etc. Detailed notes of the meetings are prepared which may be shared with

the respondent and complainant upon request. Any witnesses produced by the respondent are also interviewed & statements are taken. Post the inquiry the committee submits its report containing the findings and recommendations to the employer, within 10 days of completion of the inquiry. Appropriate steps are taken depending on whether the complaint is unsubstantiated or substantiated.

To receive and redress the grievances of workers, currently there are two mechanisms – the first mechanism comprises of the workers registering complaints directly with the plant HR or departmental supervisor or the plant head, which is then subsequently investigated and addressed. The second mechanism comprises of suggestion boxes which are available at all the manufacturing facilities. Each month the suggestions submitted in the boxes are reviewed by the internal committee of the plants and appropriate measures are taken to address the concerns/suggestions submitted by the workers.

#### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-2024			FY 2022-2023		
	Total number of employees / workers in respective category (A)	No. of employees / workers in respective category who are part of association(s) or Union (B)	% (B/A)	Total number of employees / workers in respective category (C)	No. of employees / workers in respective category who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	509	0	0%	472	0	0%
Male	465	0	0%	442	0	0%
Female	44	0	0%	30	0	0%
<b>Total Permanent Workers</b>	193	96	49.74%	190	102	53.68%
Male	193	96	49.74%	190	102	53.68%
Female	0	0	0	0	0	0

#### 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
<b>Employees</b>										
Male	512	205	40.04%	485	94.73%	442	90	20%	404	91%
Female	45	13	28.89%	43	95.56%	30	0	0%	29	97%
<b>Total</b>	<b>557</b>	<b>218</b>	<b>39.14%</b>	<b>528</b>	<b>94.79%</b>	<b>472</b>	<b>90</b>	<b>19.06%</b>	<b>433</b>	<b>91.74%</b>
<b>Workers</b>										
Male	193	88	45.63%	33	17.10%	190	69	36%	76	40%
Female	0	0	0	0	0	0	0	0%	0	0%
<b>Total</b>	<b>193</b>	<b>88</b>	<b>45.60%</b>	<b>33</b>	<b>17.10%</b>	<b>190</b>	<b>69</b>	<b>36%</b>	<b>76</b>	<b>40%</b>

#### 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No.(B)*	%(B/A)	Total (C)	No.(D)*	%(C/D)
<b>Employees</b>						
Male	512	512	100 %	442	442	100%
Female	45	45	100 %	30	30	100%
<b>Total</b>	<b>557</b>	<b>557</b>	<b>100%</b>	<b>472</b>	<b>472</b>	<b>100%</b>
<b>Workers</b>						
Male	193	193	100%	190	189	99.47%^
Female	0	0	NA	0	0	NA
<b>Total</b>	<b>193</b>	<b>193</b>	<b>100%</b>	<b>190</b>	<b>189</b>	<b>99.47%^</b>

\*No clarity has been provided in this format nor has any clarity been provided in the guidance note on what is meant by Table # B & D. In the spirit of this engagement, TIL is assuming that Table # B & D refers to the total number of resources who have been covered under performance and career development reviews – accordingly, the number has been calculated and reported by TIL.

^The % put in two decimal points. Hence, the correction in comparison to previous disclosure.

NA indicates Not Applicable.

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company has implemented occupational health and safety management system, TIL is certified to ISO 45001:2018.

The coverage of the system comprises of Design, Engineering, Development, Production & Installation of -

1. Wear Resistant Rubber, Poly Urethane, Composite and Hybrid Products along with various related accessories for Mineral Processing, Beneficiation, Mining & Materials Handling Industries (Ferrous & Non-ferrous)
2. Mill Liners, Hydrocyclones & Hydrocyclones systems and Pump & Pump Linings along with various related accessories for Mineral Processing, Beneficiation, Mining & Materials Handling Industries (Ferrous & Non-ferrous):
  - a. Grinding Mill Liners, Composite & Hybrid Mill Liners, Hydrocyclones & Hydrocyclones systems and Pump along with various related accessories
  - b. Screens & Screen matts, Composite & Hybrid Screen Matts & Trommel along with various related accessories
  - c. Wear Resistant Liners, Composite & Hybrid Wear Resistant Liners, Engineering Chutes along with various related accessories
  - d. Spillage Control equipment, Belt Tracking system and various support systems for all types of Conveyors along with various related accessories

The management system extends to corporate headquarters, manufacturing facilities of Samali, Kalyani and Dahej in India.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- At TIL, the organization implements processes and procedures such as Hazard Identification and Risk Assessment (HIRA) to identify Hazard, analyse and assess its associated Risk for applying the suitable control measures.
- Job Safety Analysis (JSA) has been implemented to further integrate Safety and health principles and practices for a particular task or Job operation.
- Periodic internal audit is conducted by Safety officer to identify work-related hazards and accordingly, assess the risks and develop appropriate procedures & deploy control measures for mitigation of the risks identified.
- Permit to work System (PTW) is a standard operational procedure implemented at TIL to issue documented permission to perform tasks with due consideration & due diligence of hazards, corresponding Risk and necessary control measures.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

YES, TIL has implemented the concept of 'Safety Alert Card' developed for helping on ground staff (blue- and white-collar employees) to report the work-related hazards and to safeguard themselves and others till the deviation reported in the form of Unsafe Acts / Unsafe Conditions / Near Miss/ Dangerous Occurrence or other forms have been closed.

### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

YES, the workers of the entity have access to non-occupational medical and healthcare services. The manufacturing facilities house Occupational Health Centre which is used to administer initial first aid or response in case of injury or other such cases, and then taken to external medical health care centres for further treatment, if required.

## 11. Details of safety related incidents, in the following format:

Safety Incident/Number	FY 2023-24		FY 2022-23	
	Employees	Workers*	Employees	Workers*
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	0	0.78	0	1.84
Total recordable work-related injuries	0	68 (Sixty-Eight)	4 (four)	44 (Forty-four)
No. of fatalities	0	0	NIL	NIL
High consequence work- related injury or ill-health (excluding fatalities)	0	0	NIL	NIL

\*considered for the sites of Samali, Kalyani and Dahej only



**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

- Across the manufacturing facilities of the Company, the organization has implemented processes and procedures in line with the requirement of Safety Management System i.e. ISO 45001:2018 such as Hazard Identification and Risk Assessment (HIRA) to identify hazard, analyse and assess associated risk with operations and processes & accordingly apply the suitable control measures.
- Job Safety Analysis (JSA) is conducted to integrate safety and health principles and practices for a particular task or job operation.
- Further, to ensure reporting, safety alert card system has been implemented. Online internal reporting portal has also been developed for reporting purpose.
- Permit to Work System (PTW) is one of the standard control measures which has been implemented at TIL to issue documented permission to perform tasks with due consideration & due-diligence of hazards, corresponding risk and necessary control measures. PTW consists of specific instructions of the nature of the job including time and place along with adequate information of critical safety procedures to be followed.
- Periodic internal audit is also conducted by safety officer to ensure safe and healthy workplace.
- Time to time training programs & awareness sessions are being conducted as a part of EHS capability development.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions*	104	32	-	244 <sup>^</sup>	75 <sup>^</sup>	-
Health & Safety*	-	-	-	-	-	-

\*Since no such specific guidance has been provided in respect to working conditions and health & safety, further since, in our understanding both such matters are inter-operable, hence, we have included all such complaints of health and safety under working conditions

<sup>^</sup>indicates figures which have been revised this year.

**14. Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities, orchard parties)
Health and safety practices	100 %
Working Conditions	100 %

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

- Corrective action prescribed/ recommendation resulting from any audit, assessment, inspection is being complied through various hierarchy of control measures such as Elimination / Substitution / Isolation / Segregation / Engineering Controls / Administrative Controls and PPE management. Additionally, the non-conformances are being tracked down and periodically reviewed based on risk intensity level and task is delegated to departmental representative who ensures the closure of deviations/ observation followed by safety check done by EHS team. The same is reviewed at Safety Committee meetings.
- EHS capability Development through training on specific topics.

### Leadership indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

No.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

TIL has a process in place to ensure that that statutory dues that have been deducted by the value chain partners are deposited by the value chain partners with the concerned authority.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. Details on assessment of value chain partners:

	% of value chain partners* (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

\* Business partners of the organization engaged in providing contractual workers for carrying out operational requirements.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

- Contractor & service provider are strictly monitored under EHS governance criteria through selection, onboarding, execution, and commissioning stages,
- Periodic training & awareness is imparted based on training need identification and assessment to improve their acumen around EHS aspects,
- They are a mandatory part of emergency mock drills,
- Personal Protective Equipment (PPEs) as per job need or requirements are being provided to the contractor employee by TIL,
- Periodic audit and review of compliance in line with regulatory EHS requirements is being reviewed by TIL site and HQ representatives.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders.**

4

**Essential indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

Tega has identified the roles and responsibilities of each of its departments, followed by identification of the relevant stakeholders connected with the corresponding roles. Following the same, every department has assigned a particular score to each category of stakeholder to prioritize the stakeholders. Key Stakeholder groups at TIL is identified through this internal framework, in conjunction with applicable forms & formats that have been developed and implemented.

The framework emphasizes on understanding & capturing the influence of the stakeholders on the business, impact of the stakeholder of the business and the impact of the business on the stakeholder, during the process and appropriate weightage in terms of economic, social, and environmental impacts is allocated to the broad set of stakeholder categories (internal & external).

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Meetings both physical and virtual, Email, telephonic conversation	Quarterly & event based	To inform on how the Company is currently doing and what it plans to do in near term future and responding to all queries.
Shareholders	No	Meetings both physical and virtual, Email, telephonic conversation	Quarterly & event based	To inform on how the Company is currently doing and what it plans to do in near term future and responding to all queries.
Employees & Workers	No	Meetings both physical and virtual, Email, telephonic conversation	Ongoing	To inform employees & worker on key developments and compliances applicable to the Company.
Customers	No	Email	Event based	Query/ clarification handling.
Communities	Yes	Meetings, Email, written correspondence, telephonic conversation	Event based	Support CSR projects.
Regulatory Body	No	Email, written correspondence, website, Stock Exchange, telephonic conversation	Event based	Compliance related matters and discussions on policy regulations and amendments, inspections, and approvals.
BoDs & KMPs	No	Meetings both physical and virtual, Email, written correspondence, telephonic conversation	Quarterly & event based	Decision making and exercising powers of the Board.
Auditors	No	Meetings both physical and virtual, telephonic conversation	Quarterly & event based	Audit and discussions on policy regulations and amendments.
Registrar & Share Transfer Agent	No	Meeting, Email, written correspondence, telephonic conversation	Quarterly & event based	RTA related services.



**Leadership indicators****1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

As a step forward in sustainability journey, Tega identified and reached out to multiple stakeholders and conducted a fairly comprehensive materiality assessment exercise in FY 2023-2024 to identify its focus areas. With a long-term plan on sustainability and non-financial reporting, Tega applies a **Double Materiality** assessment approach to systematically identify and prioritize its material matters based on concerns and expectations identified through engagement and consultation with the stakeholders. The process for consultation between stakeholders and the Board on economic, environmental, and social topics is the **Stakeholder Engagement & Consultation and Sustainability based Materiality Assessment Framework (SEC & SMAF)**. The process comprises of the following stages –

- Identification of Key stakeholder groups (internal and external) through appropriate weightage in terms of economic, social and environmental impacts considering both impact of the stakeholder on business and the impact of the business on the stakeholder.
- Development and circulation of appropriate questionnaires amongst key stakeholder groups identified to identify issues/ concerns material to the business, from stakeholder's perspective.
- Identification of material KPIs through Sustainability based Materiality Assessment framework (SMAF).
- Communication of the material KPIs identified, and feedback received from the stakeholders to the Board.

TIL has a Stakeholder Engagement committee to consult with stakeholders and receive feedback from them and the feedback received is further communicated to the board.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Stakeholder consultation is also one of the important tool in facilitating the identification and management of environmental, and social topics. The materiality assessment process is adopted for identification of environmental, social and governance topics that are matters of concern/expectations to stakeholders and the business. In accordance with identified topics the management and the Board at TIL incorporates components in policy statements and procedures to address the concerns raised and accordingly formulates pathways for mitigation/adaptation of the concerns raised and or for capitalizing the opportunities identified.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Tega conducts consultation with the vulnerable and disadvantaged section of the society, as a part of its Corporate Social Responsibility programs. Accordingly, feedback from the target population is accordingly taken to develop and implement the CSR programs for the benefit of the targeted beneficiaries.

**PRINCIPLE 5** Businesses should respect and promote human rights.

**Essential indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	509	455	89%	472	335	71%
Other than Permanent	48	2	4%	46	0	0%
<b>Total Employees</b>	<b>557</b>	<b>457</b>	<b>82%</b>	<b>518</b>	<b>335</b>	<b>65%</b>
<b>Workers</b>						
Permanent	193	88	46%	190	76	40%
Other than Permanent	835	726	87%	727	0	0%
<b>Total Workers</b>	<b>1028</b>	<b>814</b>	<b>79%</b>	<b>917</b>	<b>76</b>	<b>8.3%<sup>^</sup></b>

Over and above all the relevant policies are also posted in Company's intranet and the same is updated in case of any revision. Access to the intranet is provided to all employees to periodically update themselves on policies.

<sup>^</sup>computational error of previous year has been corrected.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	465	0	0%	465	100%	442	0	0%	442	100%
Female	44	0	0%	44	100%	30	0	0%	30	100%
<b>Other than Permanent</b>										
Male	47	0	0%	47	100%	45	0	0%	45	100%
Female	1	0	0%	1	100%	1	0	0%	1	100%
<b>Workers</b>										
<b>Permanent</b>										
Male	193	0	0%	193	100%	190	0	0%	190	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent</b>										
Male	834	236	28.29%	598	71.71%	722	138	19% <sup>^</sup>	584	81%
Female	1	1	100%	0	0%	5	5	100%	0	0%

<sup>^</sup>computational error of previous year has been corrected

3. Details of remuneration/salary/wages:

- a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
BoDs	3*	54425280	0	-
KMPs	5 <sup>^</sup>	27293319		
Employees other than BoDand KMP	508**	559234	44	526260
Workers	193	255913	0	-

\*Included only for internal BoDs

<sup>^</sup> Tega has one female KMP and hence the same has been merged in the male category figure to protect the disclosure of the female KMP.

\*\*Including non-permanent employee

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	0%	0%

*Note: There are no female blue collar employees (workers category)*

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The responsibility for addressing human rights implications is shared by several committees at the corporate office and plant levels, including the social performance team, internal committee, and grievance addressal committee. These teams and committees are investigating various human rights issues at both the corporate office and plant levels.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

There are currently whistleblower and POSH policies and procedures in place as internal tools to address complaints pertaining to human rights. To address the aspects of human rights, additional frameworks and standards have been put in place. Below are some highlights of the same specifics –

(a) **Whistle Blower Policy**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behaviour.

Though being a mandatory requirement, this mechanism facilitates to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics.

(b) **POSH Policy**

As an organization we are committed to ensuring that the work environment at all our locations and workplace is conducive to fair, safe and harmonious relations between employees. We as a Company respect the dignity of all employees working for the Company irrespective of their gender, hierarchy and we expect responsible conduct and behaviour on the part of all our employees at all levels. In compliance with the Act, any complaint under this policy shall be followed by a formal redressal mechanism as described in this Policy.

(c) **Ethics and Fairness in Business:** TIL is committed to Social & Ethical values of fair business. Also, to demonstrate Company's intention to protect and empower all its personnel within Company's influence & control by respecting the International Human Right Norms as well as National Labour Laws, we have implemented SA 8000:2014. This involve ensuring a good working condition, giving appropriate wages, ensuring higher levels of health and safety measures, and prevention of discrimination and that there is no room for forced labour or any other form of modern slavery, apart from no existence of dangerous working conditions and coercion for co-existence. In compliance with requirements specific to human rights, any suggestion/complaint under this requirement shall be followed by a formal redressal mechanism.

This implementation encompasses the designated four fundamental rights at work, as laid down in Article 2 of the ILO Declaration of Fundamental Principles and Rights at Work 1998. We ensure the following in our workplace:

1. Freedom of association and the effective recognition of the right to collective bargaining,
2. The elimination of all forms of forced or compulsory labour,
3. The effective abolition of child labour,
4. The elimination of discrimination in respect of employment and occupation.

(d) **Prevention of Environmental Damage**

We at TIL believe that every stakeholder has the right to a healthy environment, good health, food, and water. While we strictly adhere to national environmental regulations, we have also taken measures to prevent environmental damage. We have initiated the process of positive water balance by trying to recharge the water wherever it is practically possible both inside the plant, as well as exploring other areas where there is a scarcity of water for facilitating water recharge, which would eventually result in water-food-livelihood social security. We have considered low carbon intensive business activities in our plant operations that results in reduction of effect on climate change. All such initiatives have been taken in view that if



such measures are not taken, then these could otherwise negatively impact human rights of the local and global community. We have put in place external & internal communication mechanism to include concerns and expectations raised by external & internal stakeholders as a part of EMS (ISO 14001:2015).

**(e) No Forceful Acquisition of Land for Business Activities**

We at TIL, in principle believe that for individuals and communities, access to land and natural resources are necessary for their livelihood and survival. Hence, their rights to property, housing, food, and water will be abused, if their land is taken away forcefully from them. We therefore strictly abide by the laws of the land. In case of land that is to be acquired for the purpose of business activities, necessary legal procedure is followed and appropriate rehabilitation and settlement provisions for the impacted community/individuals is done (if required).

**(f) Ensuring appropriate Occupational, Health and Safety measures**

We have implemented ISO 45001, Occupational Health, and Safety Management System (OHSMS) in the manufacturing facilities of TIL, in India that ensures that the human rights of individuals are not impacted to the extent practicable, on account of working in a safe & healthy environment.

**(g) Corporate Social Responsibility (CSR) measures**

We believe that we should make a focused approach to operate in ways that enhance our credibility towards the society and the environment we are operating. We believe that CSR initiatives will also help in improving the life of various marginalised and disadvantaged section of the society in addition to protection of the environment.

In this respect, we have developed and implemented a CSR Policy that identifies the need and concerns of the disadvantaged and marginalised section of the society, followed by identifying appropriate measures to address their needs. The CSR programs that are taken in alignment with the needs of the community and environment are monitored periodically by the board members.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2023-24		FY 2022-23	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	0	0	1	0
Discrimination at workplace	0	0	0	0
Child Labour	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0
Wages	0	0	0	0
Other human rights related issues	2	0	0	0

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees / workers	0	2.8%
Complaints on POSH upheld	0	1

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

TIL has created a POSH Policy to protect complainants from discrimination and harassment instances. The documentation link provided below provides more information about the policy and the process that is in place: [https://www.tegaindustries.com/images/articles/pdf/POSH\\_guidelines\\_signed\\_2022.pdf](https://www.tegaindustries.com/images/articles/pdf/POSH_guidelines_signed_2022.pdf)

#### 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Although currently there is no specific clause on human rights requirements which can be referred to as part of business agreement and contracts, however moving forward the company aspires to implement the same.

##### Assessments for the year:

	No. of Plants that were assessed	No of Offices that were assessed
Sexual Harassment	100%	100%
Discrimination at workplace	100%	100%
Child Labour	100%	100%
Forced Labour/Involuntary Labour	100%	100%
Wages	100%	100%
Other human rights related issues	100%	100%

*Note: We have the IC committee in place, centrally as well location based to address any POSH complaints. However requisite awareness is being created through trainings, posters at different locations, mail communication to all employees.*

#### 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Since there was no case / concern which surfaced out therefore there was no requirement of Corrective Actions to be taken against.

### Leadership indicators

#### 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company is working towards business process being modified/ introduced to address the human rights grievances/complaints, rather initiatives are taken proactively or on discussion with the concerned stakeholders which are employee friendly and also to make the working environment more conducive to dispense the responsibilities.

#### 2. Details of the scope and coverage of any Human rights due diligence conducted.

Requirement to be explored for necessary reporting.

#### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As of now, not all the operating locations are accessible to differently abled visitors, except the corporate office of TIL, which is located in Kolkata, India.

#### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	100%

*\*This is a new requirement which has got added and Tega commits to take appropriate action to address the provisions of this new requirement covering all the value chain partners. Tega will ensure extension of its existing policies to its value chain partners who express willingness to enforce similar policies in their respective organizations, in case they do not currently have such policies existing in their organization.*

#### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No such corrective actions are required for the contractual workers, who are a part of the value chain partners. It is also envisaged at the moment, no such corrective actions would also be required in respect to human rights for the other value chain partners. However, the same can be confirmed after the assessment of the human rights of other value chain partners have been conducted.

**PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment.**

6

**Essential indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	Not Applicable	Not Applicable
Total fuel consumption (B)	Not Applicable	Not Applicable
Energy consumption through other sources (C)	Not Applicable	Not Applicable
Total energy consumption (A+B+C)	Not Applicable	Not Applicable
<b>From non-renewable sources</b>		
Total electricity consumption (D)	41.64 TJ	39.79 TJ
Total fuel consumption (E)	109.32 TJ	115.56 TJ <sup>^</sup>
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	150.96 TJ	155.35 TJ <sup>^</sup>
Total energy consumed (A+B+C+D+E+F)	150.96 TJ	155.35 TJ <sup>^</sup>
Energy intensity per rupee of turnover ( <i>Total energy consumption/ turnover in rupees</i> )	20487.5 J/INR	20990 J/INR <sup>^</sup>
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	861.55 J/ PPP(INR)	917 J/PPP(INR)
Energy intensity in terms of physical output	0.0170 TJ/MT	0.0186 TJ/MT
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

<sup>^</sup> computation of previous reporting figure have been corrected

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above energy parameters through any external agency.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)**

**NO**, TIL does not have any site/facility that is identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water Withdrawal by Source</b>		
(i) Surface water	19130 KL	19132 KL
(ii) Groundwater	4620 KL	4611.6 KL
(iii) Third party water	20858.79 KL	17419.1 KL <sup>^</sup>
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>44608.79 KL</b>	<b>41162.1KL<sup>**</sup></b>
Total volume of water consumption (in kilolitres)	40584.55 KL	41162.1 KL <sup>**</sup>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	0.0055 L/ INR	0.006 L/ INR <sup>**</sup>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.23 KL/PPP (INR Million)	0.24 KL/PPP (INR Million)
<b>Water intensity in terms of physical output</b>	4.56 KL/MT	4.93 KL/MT
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

<sup>^</sup>figure of Head Office of Tega has been included, which was not included in the previous reporting period, except supply of water that is available from the service facility provider of the building

<sup>\*\*</sup> computation of previous reporting figures has been corrected

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above water parameters through any external agency.



4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment*	4024.24 KL	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)*	4024.24 KL	-

\*Data is for Dahej unit only

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above parameters through any external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has initiated projects/activities to achieve zero liquid discharge. As far as coverage is concerned, all the plants having such scope have been considered for necessary implementation. Dahej plant is already having both Effluent Treatment Plant (ETP) & Sewage Treatment Plant (STP) fully operational. Samali has also been upgraded through installation of package type STPs. Arrangement is being made to use the treated wastewater for horticulture purpose.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter*	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/Nm <sup>3</sup>	65.90	83
SOx	mg/Nm <sup>3</sup>	84.70	62
Particulate matter (PM)	mg/Nm <sup>3</sup>	51.22	53

\* Emissions are only for DG Set and Boilers

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes. We had carried out monitoring of the emission parameters through accredited external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions	Metric tonnes of CO <sub>2</sub> equivalent	8106	8387 <sup>^</sup>
Total Scope 2 emissions	Metric tonnes of CO <sub>2</sub> equivalent	8281	8730 <sup>^</sup>
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent/INR Million	0.0022 Kg of CO <sub>2</sub> eq/ INR	0.0023 Kg of CO <sub>2</sub> eq/ INR
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent/PPP	0.09	0.10
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO <sub>2</sub> equivalent/tonnes of Production	1.84	2.05
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

<sup>^</sup> computation of previous reporting figure have been corrected

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above information through any external agency.

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

During FY'23, the organisation had carried out GHG accounting covering 3-operating plant (in India) including Head Office (at Kolkata). In continuation to the same a high-level decarbonisation plan has been proposed. Actions/projects in line with the plan has been initiated mentioned below:

- Battery operated stackers for blasting, RM store, CC, Banbury and fabrication shop at Samali (West Bengal) Plant.
- Fuel switch from LDO to CNG fired Boiler operation initiated at Dahej Plant.
- PPA (Power Purchase Agreement) executed for Roof top solar power plant of 500 KWp at Samali & 140 KWp at Kalyani (at West Bengal).
- Conversion of Furnace Oil (FO) fired boiler into Gas boiler at Kalyani plant (is in advanced stage of completion).

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste Generated (in Metric Tonnes)</b>		
Plastic Waste (A)	24.92	20
E-Waste (B)	0.88	2
Bio-medical waste (C)	0	0
Construction & demolition waste (D)	0	0
Battery Waste (E)	0	1
Radioactive Waste (F)	0	0
Other Hazardous Waste (G). Used Oil, Discarded container with hazardous chemicals, Rubber Scrap	14.54	158
Other Non-Hazardous Waste generated (H). Specify if any	2204.942	2324
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>2245.282</b>	<b>2505</b>
<b>Waste intensity per rupee of turnover. (Total waste generated / Revenue from operations)</b>	0.30 MT/ INR Million	0.34 MT/ INR Million
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)</b>	0.013 MT/ PPP (INR)	0.015 MT/ PPP (INR)
<b>Waste intensity in terms of physical output</b>	0.25	0.30
<b>Waste intensity (optional) - the relevant metric may be selected by the entity</b>		
<i>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</i>		
Category of Waste		
(i) Recycled	0	811
(ii) Reused	0	NIL
(iii) Other recovery operations	NIL	NIL
<b>Total</b>	<b>0</b>	<b>811</b>
<i>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</i>		
Category of Waste		
(i) Incineration	4.15	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	2241.13	1688
<b>Total</b>	<b>2245.282</b>	<b>1688</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above information through any external agency.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Disposal of process waste disposal is as per the guidelines of concerned State Pollution Control Board (SPCB) and as per the conditions mentioned CCA (Combined Consent & Authorisation) or CTO (Consent to Operate) and Hazardous Waste Authorisation that has been obtained from the local SPCB. Various categories of hazardous waste are disposed off through SPCB approved recycler or reclaimer. Interventions are being taken to continually reduce process waste generation. Lead based chemlock is now being replaced with environment friendly chemlock as suggested by the manufacturer.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.**

The entity does not have operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) for which environmental approvals / clearances are required. Hence, the disclosure is Not Applicable for TIL.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

The industry doesn't carry out EC (Environment Clearance) attracting projects. Hence environmental impact assessments are Not Applicable.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

### Leadership indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):** Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Ground water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.



**2. Please provide details of total Scope 3 emissions & its intensity, in the following format: TIL is yet to start working on scope 3.**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/INR Million	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent/PPP	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

No. We have not yet carried out an independent assessment of the above parameters through any external agency.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

TIL will evaluate going forward.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

TIL will evaluate and deploy measures to address this.

The Company has initiated interventions as mentioned in question 8 (above) to reduce impact on environment. Will start to capture the tangible benefits in a structured manner.

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
-	-	-	-

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Disaster management plans are part of individual Onsite Emergency plan of the operating plants, wherein natural calamity/ disaster has been considered as a potential emergency.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Nothing significant to disclose.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

TIL will evaluate going forward.

**PRINCIPLE 7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**Essential indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

TIL is associated with 7 (seven) trade and industry chambers/associations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Indian Chamber of Commerce	National
2.	The Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3.	Indo-Australian Chamber of Commerce	National
4.	Economic Research India Pvt Ltd	National
5.	Confederation of Indian Industry	National
6.	Dahej Industries Association	State
7.	Bharat Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable for TIL since no issues related to anti-competitive conduct of the entity arose.

**Leadership indicators**

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
-	-	-	-	-	-
-	-	-	-	-	-

**PRINCIPLE 8** Businesses should promote inclusive growth and equitable development.

**Essential indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

As per the CSR Rules, the projects that are being implemented by TIL is under the value of INR 1 crore, hence, conducting Social Impact Assessment in accordance with applicable laws of the land is not required.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

No such projects is currently being undertaken by TIL which would result in Rehabilitation and Resettlement (R&R).

3. Describe the mechanisms to receive and redress grievances of the community.

To receive & redress grievances of the community, the Company has specified contact details for grievances and queries on its website.

Further, the Company can be approached at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com)

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	14.75%	15.2%
Sourced directly from within the district and neighbouring districts	68.6%	45.91%

**5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023 - 24 Current Financial Year	FY 2022 - 23 Previous Financial Year
Rural	0	0
Semi-urban	39.4	45.2
Urban	9.6	8.2
Metropolitan	51	46.6

Note: The numbers given are based on the net salary.

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**Leadership indicators****1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount spent (In INR)
1	West Bengal	Nadia	₹ 12,98,466/-

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Due to the typical nature of procurement this can't be explored & adopted, hence till date there is no preferential procurement policy giving preference to purchase from suppliers comprising marginalized /vulnerable groups.

**(b) From which marginalized /vulnerable groups do you procure?**

Not Applicable

**(c) What percentage of total procurement (by value) does it constitute?**

Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share

Ans: No intellectual property of Tega is based on traditional knowledge.



**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
-------------------	-------------------	-------------------------

Ans: No intellectual property of Tega is based on traditional knowledge as well as there was no adverse order in last FY in respect of intellectual properties of the Company.

**6. Details of beneficiaries of CSR Projects:**

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups*
1.	Disha India Education Trust	135	-
2.	Nabapally Primary School	125	-
3.	Joypul Nandanik Shikshayatan	279	-
4.	Rotary Sarada Shishu Shiksha	190	-
5.	Friends of Tribals Society	149	100
6.	Kalyani- The Paschim Banga Andha Alope Samity	35	100
7.	Samali-Angarberia Free Primary School	105	-
8.	Samali-Gazipur Free Primary School	164	-
9.	Dahej- ITI Bharuch - Chemistry Lab	150	-
10.	India Autism Center Project	100	-
11.	PACE Learning Center	264	100
12.	Oriental Saminary	540	-

\* The assessment of the vulnerable and marginalised groups for CSR projects, other than Friends of Tribals Society, Kalyani- The Paschim Banga Andha Alope Samity and PACE Learning Center is in the process of being implemented.

**PRINCIPLE 9 Businesses should promote inclusive growth and equitable development.**

9

**Essential indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

Branch / PMG raises the PPR in Tega Apps on behalf of the customer to escalate the issue / Branch / PMG raises the PPR in Tega Apps on behalf of the customer to escalate the issue / problem with details information in a scheduled format to Customer Complain Manager. On receipt of the same, if there is a requirement of Free Replacement Order (FRO) that is evaluated accordingly and immediately approved for action by the concerned department. Then with the documents of the related functions like Product Manufacturing Group (PMG) and Technical Sales Services (TSS), drafting, design, Manufacturing, Quality, Branch for installation case is reviewed with concerned departments and Root Cause Analysis (RCA) done for the problem. Based on that appropriate and effective Correction and Corrective actions are suggested / uploaded in the system targeting the respective department. This is the end of the Customer Complaints Management (CCM) part of the Product problem Report (PPR). Based on the completion of the Corrective and Preventive Action (CAPA), CCM reviews / audits the sustenance of the process.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage of total turnover	
Environmental and social parameters relevant to the product	100%	All the products manufactured in Indian facilities are from ISO 14001 certified plants
Safe and responsible usage	100%	As per work instructions released by the respective PMGs, available at: <a href="https://tegaindia.sharepoint.com/sites/BRSRPRINCIPLE9E2PMG/Shared%20Documents/Forms/AllItems.aspx">https://tegaindia.sharepoint.com/sites/BRSRPRINCIPLE9E2PMG/Shared%20Documents/Forms/AllItems.aspx</a>
Recycling and/or safe disposal	100%	Our products are consumables which wears out in different applications. The left-out portion of the 100% product is currently being scrapped and disposed off by the customer as per the prevailing rules and governing laws.

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data Privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive trade practices	NIL	NIL	NA	NIL	NIL	NA
Unfair trade practices	NIL	NIL	NA	NIL	NIL	NA
Others	74	38	NA	116 <sup>^</sup>	69	NA

<sup>^</sup>Typo error in previous report.

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reason for Recall
Forced Recall	0 (Zero)	Not Applicable
Voluntary Recall	0 (Zero)	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

Yes, TIL has framework on cyber security and risks related to data privacy. The framework document is available on the organization's intranet.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The disclosure is Not Applicable for TIL since no issues pertaining to the above mentioned parameters arose in the FY 2023-24.

**7. Provide the following information relating to data breaches:****a. Number of instances of data breaches**

There were no recorded instances of data breaches during the fiscal year 23/24.

**b. Percentage of data breaches involving personally identifiable information of customers**

As there have been no instances of data breaches, the status is marked as "Not Applicable" (NA).

**c. Impact, if any, of the data breaches**

Since there is no case of data breach therefore it is Not Applicable.

**Leadership indicators****1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

Yes, the TIL website comprises of information on products and services of the entity in the segment "Our Offerings". Weblink: <https://www.tegaindustries.com/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

The Company provides its consumers with an appropriate manual for safe and responsible usage of products and/or services. The respective work instructions are released by the respective PMGs and are available at: <https://tegaindia.sharepoint.com/sites/BRSRPRINCIPLE9E2PMG/Shared%20Documents/Forms/AllItems.aspx>

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, we carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole.

## ANNEXURE II

# Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

### A. Conservation of Energy

- Energy Conservation Measures Taken: New measures for conservation of energy are being experimented.
- Additional Investments and Proposals for Reduction of Consumption of Energy: Plant efficiency has been increased to reduce power consumption.
- Shifted from LDO to CNG fired Boiler operation at Dahej Plant.
- Impact of the above measures: The above measures have reduced energy consumption and will eliminate energy wastage.
- Total energy consumption and energy consumption per unit of production -

Total energy Consumed: 191.92 TJ

### B. Technology Absorption:

Efforts made in technology absorption are as follows-

#### **RESEARCH & DEVELOPMENT (R & D)**

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

- Polyurethane Screen for various applications are being developed.
- Development of Modular Panel for both rubber and Polyurethane.
- Introduction and Development of Trommel.
- Development of Rotate-to-Lock for Screen Panels for reusing the same fixed parts.
- Introduction of instrument for monitoring of belt sway.

##### 2. Benefits derived as a result of the above R & D

- Substitution of imported products.
- Improvement in quality of product.
- New applications have been developed.

- Minimization of waste generation (in terms of worn-out product and material), facilitate easy disposal of waste (worn-out product).

### 3. Future Plan of Action

- Development of Polyurethane Wear Components for application in mining & mineral processing liners.
- Development of ceramic reinforced sheets for mining applications.

### 4. Expenditure on Research & Development: INR 0.508 Lakh

#### **TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

- Efforts made:** Special Polyurethane Belt Scrappers & Dust sealing rings are being developed.

#### 2. **Benefit derived as a result of above efforts:**

- Expansion of area of application and product range.
- Improvement in the quality of products.
- Reduction in cost of product.

#### 3. **The Company has not imported any technology.**

### C. **Total Foreign Exchange used and earned during the FY 2023-24-**

	(₹ in Million)
Foreign Exchange earned in terms of actual inflows	6070.93
Foreign Exchange outgo in terms of actual outflows	2325.75

**On behalf of the Board of Directors**

**Sd/-**

**Madan Mohan Mohanka**

Chairman

DIN: 00049388

Place: Kolkata

Date: May 23, 2024



# ANNEXURE III

## Annual Report on Corporate Social Responsibility (CSR) for the Financial Year 2023-24

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company:

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the same is placed on the Company's website and the web link for the same is: [https://www.tegaindustries.com/investors/policies/corporate\\_social\\_responsibility\\_policy.pdf](https://www.tegaindustries.com/investors/policies/corporate_social_responsibility_policy.pdf)

The CSR Policy outlines the Company's approach to CSR, CSR Thrust areas, Role of CSR Committee, CSR Reporting mechanism, amongst others. At the Company, CSR has effectively evolved from being engaged in passive philanthropy to corporate investments, which takes the form of a social partnership initiative creating value for stakeholders. The Company's CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals, and strategy.

### 2. Composition of CSR Committee (as on March 31, 2024):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Madhu Dubhashi	Chairperson & Independent Director	2	2
2.	Ashwani Maheshwari	Independent Director	2	2
3.	Mehul Mohanka	Managing Director	2	2

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

### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The web-links are given below:

- Composition of CSR Committee – <https://www.tegaindustries.com/investor/#corporate-governance>
- CSR Policy – [https://www.tegaindustries.com/investors/policies/corporate\\_social\\_responsibility\\_policy.pdf](https://www.tegaindustries.com/investors/policies/corporate_social_responsibility_policy.pdf)
- CSR Projects approved by the Board – <https://www.tegaindustries.com/csr-initiatives>

### 4. Executive summary along with web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable

- Average net profit of the Company as per sub-section (5) of Section 135 – ₹ 1,13,73,68,473
- Two percent of average net profit of the Company as per sub-section (5) of Section 135(5) – ₹ 2,27,47,369
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL
- Amount required to be set off for the financial year, if any - NIL
- Total CSR obligation for the financial year [(b)+ (c) - (d)] – ₹ 2,27,47,369

(Details attached as Annexure – A)

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 2,25,09,090  
 (b) Amount spent in Administrative overheads: ₹ 3,25,750  
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable  
 (d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ₹ 2,28,34,840  
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,28,34,840	NA	NA	NA	NA	NA

- (f) Excess amount for set off, if any - Not Applicable

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	2,27,47,369
(ii)	Total amount spent for the Financial Year	2,28,34,840
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	87,471
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	Nil

Note: As per the advise of the Board, surplus or excess amount of Rs. 87,471/- arising out of CSR contribution for the FY 2023-24 will not be carried forward to the succeeding financial years considering that since the projects include that of promoting education, it will not be wise to carry forward the excess amount to the succeeding financial years.

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	FY 2022-23	21,50,000	-	21,50,000	-	-	-	-
2.	FY 2021-22	38,00,000	-	38,00,000	-	-	-	-
3.	FY 2020-21	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No, since assets are not in the books of the Company.

If Yes, enter the number of capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number	Name	Registered Address
Not Applicable							

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):**

Tega Industries has fully utilized all allocated funds for CSR initiatives, demonstrating its commitment to social development and community welfare.

**For and on behalf of the Corporate Social Responsibility Committee**

Place: Kolkata  
Date: May 23, 2024

**Sd/-**  
**Mrs. Madhu Dubhashi**  
DIN: 00036846  
Chairperson of the CSR Committee

**Sd/-**  
**Mr. Mehul Mohanka**  
DIN: 00052134  
Managing Director & Group CEO

## ANNEXURE - A

## DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Years)	Amount allocated for the project (in ₹)	Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	Promoting Education	Clause (ii) Promoting education	Yes	Haryana	Karnal	3	70,00,000	80,00,000	No	Disha India Education Trust	CSR00018963
<b>Total</b>							<b>70,00,000</b>	<b>80,00,000</b>			

## DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promoting special education and healthcare	Clause (i) Promoting healthcare Clause (ii) Promoting education	Yes	West Bengal	Kolkata	22,00,000	No	IAC Patrons Foundation	CSR00024440
2.	Dahej Vibhag Kelvani Mandal	Clause (ii) Promoting education	Yes	Gujarat	Dahej	20,00,000	Yes	-	-
3.	Gazipur FP School	Clause (i) Promoting sanitation Clause (ii) Promoting education	Yes	West Bengal	South 24 Parganas	17,52,350	Yes	-	-
4.	Measures for the benefit of armed forces veterans and casualties	Clause (vi) Measures for the benefit of armed forces veterans	Yes	Delhi	Delhi	15,00,000	No	Armed Forces Battle Casualties Welfare Fund	CSR00028390
5.	Joypul Nandanik Shikshayatan	Clause (i) Promoting healthcare Clause (ii) Promoting education	Yes	West Bengal	North 24 Parganas	10,44,933	Yes	-	-
6.	Ambulance support Gyespur Municipality	Clause (i) Promoting healthcare	Yes	West Bengal	Nadia	8,28,966	Yes	-	-
7.	Rotary Sarada Shishu Shiksha	Clause (i) Promoting healthcare Clause (ii) Promoting education	Yes	West Bengal	North 24 Parganas	8,22,577	Yes	-	-
8.	Nabapally Primary School	Clause (i) Promoting healthcare Clause (ii) Promoting education	Yes	West Bengal	North 24 Parganas	7,29,938	Yes	-	-
9.	ITI Bharuch	Clause (ii) Promoting education	Yes	Gujarat	Bharuch	6,01,463	Yes	-	-



Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
10.	Gram Samridhi Foundation – Tree Plantation	Clause (iv) Ensuring environment sustainability	Yes	West Bengal	Sundarbans	6,00,000	Yes	-	-
11.	Angarberia FP School	Clause (i) Promoting sanitation Clause (ii) Promoting education	Yes	West Bengal	South 24 Parganas	4,97,912	Yes	-	-
12.	The Paschim Banga Andha Alope Samity	Clause (ii) Promoting education	Yes	West Bengal	Nadia	4,69,500	Yes	-	-
13.	Oriental Seminary	Clause (ii) Promoting education	Yes	West Bengal	Kolkata	4,51,232	Yes	-	-
14.	Rajkiya Uchch Prathmik Vidyalaya	Clause (ii) Promoting education	Yes	Rajasthan	Jhunjhunu	3,53,674	Yes	-	-
15.	PACE Learning Center	Clause (ii) Promoting education	Yes	West Bengal	Kolkata	2,72,545	Yes	-	-
16.	Friends of Tribals Society	Clause (ii) Promoting education	Yes	West Bengal	Kolkata	1,54,000	Yes	-	-
17.	Nandabangha Nivedita Rural Welfare Organization	Clause (i) Promoting healthcare Clause (ii) Promoting education	Yes	West Bengal	South 24 Parganas	1,30,000	Yes	-	-
18.	'SwarDarbar' Annual Music Festival	Clause (v) Protection and promotion of Art and Culture	Yes	West Bengal	Kolkata	1,00,000	Yes	-	-
<b>Total</b>						<b>1,45,09,090</b>			

# ANNEXURE IV

## Corporate Governance Report

### Company's Philosophy on Code of Governance

Corporate Governance encompasses a set of systems, rules, practices, and processes by which a company is directed and controlled. The essence of Corporate Governance lies in promoting and maintaining integrity, accountability and transparency in all transactions in the widest sense. It is the creation and enhancement of long-term sustainable value for the stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Since Corporate Governance also provides the framework for attaining a company's objectives, it extends to nearly every aspect of management, from action plans and internal controls to performance measurement and corporate disclosure.

The Corporate Governance framework of the Company ensures that it evolves and follows not just the stated Corporate Governance guidelines, but also globally best practices. The Company is equipped with a robust framework that considers the long-term interest of every stakeholder by ensuring timely disclosure of adequate and accurate information regarding its financials and performance, as well as the leadership and governance of the Company. The Company also has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders.

The Company also aims to increase and sustain its corporate values through growth and innovation. The cardinal principles such as independence, accountability, responsibility, transparency,

fair and timely disclosures, credibility, sustainability, etc. serve as the means for implementing the philosophy of Corporate Governance in letter and in spirit.

### Board of Directors

The Board of Directors ("Board") are entrusted with the ultimate responsibility of cultural, ethical, sustainable and accountable growth of the Company and have been vested with the requisite powers, authorities and duties. The Board provides strategic guidance to the Company and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations.

The Board of the Company has an optimum combination of Executive, Non - Executive and Independent Directors with at least one Woman Independent Director, having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing. The composition of the Board is in conformity with the requirements of Section 149 of the Companies Act, 2013 (as amended) (the "Act") and Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

As on March 31, 2024, the Board comprised of 6 (Six) Directors, out of which 3 (Three) Directors are Executive Directors and 3 (Three) Directors are Non-Executive & Independent Directors including 1 (One) Woman Independent Director. Fifty per cent of the Board is comprised of Independent directors.

The composition and category of the Board of Directors as on March 31, 2024, the number of committees of which a director is a Member/Chairperson and the attendance of each director at the Board Meetings and the Annual General Meeting (AGM) of the Company held during the Financial Year 2023-24 are as follows:

Name of the Directors and Category	No. of membership on Board committees including the Company^	No. of chairmanship on Board committees including the Company^	No. of Board meetings entitled to attend	No. of Board meetings attended during the FY 2023-24	Attendance at last AGM held on 29.08.2023
Mr. Madan Mohan Mohanka Promoter Chairman and Wholetime Director DIN: 00049388	0	0	8	8	Yes
Mr. Mehul Mohanka Promoter Managing Director & Group CEO DIN: 00052134	2	0	8	7	Yes

Name of the Directors and Category	No. of membership on Board committees including the Company^	No. of chairmanship on Board committees including the Company^	No. of Board meetings entitled to attend	No. of Board meetings attended during the FY 2023-24	Attendance at last AGM held on 29.08.2023
Mr. Syed Yaver Imam* Wholetime Director DIN: 00588381	1	0	8	7	Yes
Mr. Jagdishwar Prasad Sinha Non - Executive & Independent Director DIN: 02345086	1	0	8	8	Yes
Mrs. Madhu Dubhashi Non - Executive & Independent Director DIN: 00036846	5	2	8	8	Yes
Mr. Ashwani Maheshwari Non - Executive & Independent Director DIN: 07341295	2	1	8	8	Yes

The Committee positions are based on the latest disclosures received by the Company.

^Only membership/ chairmanship of the Audit Committee and Stakeholders Relationship Committee of Indian public limited companies have been considered.

\*Appointed as an Additional Director (Category: Non-Executive Non-Independent) with effect from June 01, 2024.

During the year under review, Mr. Syed Yaver Imam (DIN: 00588381), who was liable to retire by rotation, was re-appointed as Director of the Company.

The Independent Directors of the Company have confirmed that they meet the criteria for "independence" and "eligibility" as prescribed under the SEBI Listing Regulations and Section 149 of the Act and in the opinion of the Board, the independent directors of the Company fulfill the conditions specified under the SEBI Listing Regulations and are independent of the management.

Disclosures regarding appointment/re-appointment of the directors have been furnished in the Notice convening the 48<sup>th</sup> Annual General Meeting of the Company, which forms part of the Annual Report.

During the year under review, none of the Independent Directors have resigned.

As required under Para C of Schedule V to the SEBI Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where the directors of the Company are also a director and the category of their directorships therein as on March 31, 2024:

Name of the Directors	No. of Directorships <sup>@</sup>	Directorships and its category in listed entities
Madan Mohan Mohanka	5	NIL
Mehul Mohanka	4	NIL
Syed Yaver Imam	1	NIL
Jagdishwar Prasad Sinha	0	NIL
Madhu Dubhashi	4	1. Clean Science and Technology Limited - Independent Director 2. Pudumjee Paper Products Limited - Independent Director 3. Sanghvi Movers Limited - Independent Director
Ashwani Maheshwari	1	NIL

<sup>@</sup>Excludes memberships of the managing committee of various chambers/bodies, directorships in private limited companies, foreign companies, companies registered under section 8 of the Act and alternate directorships.

Based on the disclosures received from the Directors, none of the directors hold Directorships in more than 20 (twenty) companies of which Directorships in public companies does not exceed 10 (ten) in line with the provisions of Section 165 of the Act. Further, no Director holds Directorship in more than 7 (seven) listed Companies as per SEBI Listing Regulations.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Company has in place a Directors' and Officers' Liability Insurance Policy which covers those who serve as a Director, Officer or equivalent of subsidiaries/joint venture. The Company has also provided an insurance cover in respect of legal action against its Directors and Officers under this policy.

None of the directors on the Board is a member of more than 10 (ten) committees or Chairperson of more than 5 (five) committees, reckoned in terms of Regulation 26 of the SEBI Listing Regulations.

None of the directors is an Independent Director in more than 7 (seven) listed companies and where he is serving as a whole time

director/managing director in any listed company, does not hold such position in more than 3 (three) listed Companies.

None of the non-executive directors held any shares or convertible instruments in the Company as on March 31, 2024. However, as on the date of this report, Mr. Syed Yaver Imam, appointed as an Additional Director (Category: Non-Executive Non-Independent) with effect from June 01, 2024, holds 29,510 equity shares.

None of the directors of the Company are related to each other and there are no inter-se relationships between the Directors except Mr. Madan Mohan Mohanka and Mr. Mehul Mohanka (being father and son respectively).

During the financial year ended March 31, 2024, 8 (eight) Board meetings were held. Time gap between any two consecutive board meetings did not exceed 120 days during the Financial Year 2023-24. In case of emergency, resolutions are also passed by the Board of Directors and Committee members vide circulation. Video Conferencing facility is offered to facilitate Directors to participate in the Meetings. The details of the Board Meetings held during the Financial Year 2023-24 are as follows:

Sl. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1.	12.04.2023	6	6	3
2.	30.05.2023	6	6	3
3.	10.07.2023	6	6	3
4.	11.08.2023	6	6	3
5.	11.10.2023	6	5	3
6.	09.11.2023	6	6	3
7.	09.02.2024	6	6	3
8.	28.03.2024	6	5	3

#### Board Procedure

The Board has devised a proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

The Board meets at least once a quarter to review the quarterly business and the financial performance of the Company. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given to each Director. The Board papers, comprising the agenda backed by comprehensive background information are circulated to the Directors in advance and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Company uses Convene board application as a tool to digitize, streamline and automate the meetings of the board and the committees to ensure meetings' productivity, efficiency, experience, convenience, transparency and high standards of compliance and governance.

The Board's function is not limited to matters requiring statutorily the Board's approval. The Board is involved in all the important decisions relating to the Company including policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/regulatory requirements. Major accounting provisions and write-offs are considered by the Board. The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

Minutes of the meetings of the Board and all the Committees are circulated to all the Directors/Committee Members and are finalised after incorporating their comments received, if any.

The Governance processes in the Company includes an effective post meeting follow-up, review and reporting process for action taken/pending on decisions of the Board and the Board Committees.

During the Financial Year 2023-24, information as per Part A of Schedule II of SEBI Listing Regulations have been placed before the Board for its consideration.



### Core Skills / Expertise / Competencies available with the Board of Directors of the Company

In pursuance of Para C(2), Schedule V of the SEBI Listing Regulations, the Board of Directors of the Company have identified the following core skills/ expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company:

Skills/Expertise/Competencies	Details
Business & Industry	Domain Knowledge in Business and understanding of business environment, Optimising the development in the industry for improving Company's business.
Financial Expertise	Financial and risk management, Internal control, Experience of complex financial reporting processes, taxation, Capital allocation, resource utilisation, Understanding of Financial policies and accounting statement and assessing economic conditions.
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.
Technology	Knowledge in anticipating technological trends, innovations and techniques to create new business models.
Strategic Expertise	Potential to understand, critically examine and review business strategies including mergers, acquisitions and other business combinations/ restructuring.
Behavioral	Fulfilling a director's duties and responsibilities, acting ethically and morally, actively contributing towards wellbeing of the organization, collaborative, performance oriented, putting the organisation's interest in priority before personal interests and professional.

The Board of the Company comprises of qualified members who possess required skills, expertise and competencies (as given below) that allow them to make effective contributions to the Board and its Committees.

Name of Director	Skills/Expertise/Competencies					
	Business & Industry	Financial Expertise	Governance & Compliance	Technology	Strategic Expertise	Behavioral
Mr. Madan Mohan Mohanka	Y	Y	Y	Y	Y	Y
Mr. Mehul Mohanka	Y	Y	Y	Y	Y	Y
Mr. Syed Yaver Imam	Y	-	Y	Y	Y	Y
Mr. Jagdishwar Prasad Sinha	Y	Y	Y	Y	Y	Y
Mrs. Madhu Dubhashi	-	Y	Y	-	Y	Y
Mr. Ashwani Maheshwari	Y	Y	Y	Y	Y	Y

### Board Training and Familiarisation Programme

In terms of Regulation 25 of the SEBI Listing Regulations, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

All the Directors inducted to the Board are introduced to the Company's culture through orientation sessions. Executive Directors and senior management provide an overview of operations and familiarise the Non-Executive Directors on matters related to the Company's values and commitments.

As a part of ongoing training, the Company schedules quarterly meetings of business and functional heads with the Independent Directors. During these meetings, comprehensive presentations are made on various aspects such as business models, new business strategies and initiatives by business leaders, risk minimization procedures, recent trends in technology, changes in domestic/overseas industry scenario and regulatory regime affecting the Company globally. These meetings also facilitate

Independent Directors to provide their inputs and suggestions on various strategic and operational matters directly to the business and functional heads.

During the year under review, training/session regarding policies and procedures of the Company with respect to business ethics and values was also organised for the Board of Directors. The Directors were also updated on amendments of the existing guidelines and were given introduction to new guidelines and provisions of the SEBI Regulations applicable for Listed Entities.

The details of such programmes for familiarisation of the Independent Directors are put on the website of the Company at the following web-link: <https://www.tegaindustries.com/images/articles/pdf/Familiarization-Programme-for-Independent-Directors.pdf>.

### Independent Directors' Separate Meeting

Schedule IV of the Act i.e. Code for Independent Directors and the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in every financial year, without the presence of non-independent directors and members of the management. During the year ended March

31, 2024, a separate meeting of the Independent Directors was held on March 28, 2024, inter alia, to review performance of Non-Independent Directors & the Board as a whole; to review performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

#### Code of Conduct

Regulation 17(5) of the SEBI Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. The Board of the Company has adopted the Code of Conduct for its Directors and Senior Management. The said Code has been communicated to the Directors and the Senior Management Personnel and the same is available on the website of the Company at the following web-link: [https://www.tegaindustries.com/investors/policies/code\\_of\\_conduct\\_for\\_all\\_members\\_of\\_the\\_board\\_and\\_senior\\_management.pdf](https://www.tegaindustries.com/investors/policies/code_of_conduct_for_all_members_of_the_board_and_senior_management.pdf).

The Code is in alignment with the Company's objectives, and Corporate Governance policy and aims at enhancing an ethical transparent process in managing the affairs of the Company.

All the Directors and Senior Management Personnel have affirmed compliance with the Code for the financial year 2023-24. A declaration to this effect signed by the Managing Director is annexed to this Report.

#### **Board Committees**

The Board has constituted various committees consisting of Executive and Non-Executive Directors of the Company to meet various mandatory requirements of the Act and the SEBI Listing Regulations as well as to perform other critical functions. Currently, the Board has 5 (five) committees, viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The composition of the said committees has also been disclosed on the website of the Company and the web-link of the same is <https://www.tegaindustries.com/investor/#corporate-governance>. The Company Secretary acts as the Secretary to all the Committees of the Board.

During the year under review, the Board of Directors have also constituted a Sustainability Committee to oversee and drive sustainability initiatives within the organization.

#### Audit Committee

The Audit Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors and the Board and has been constituted in line with the provisions of Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations.

#### **Terms of Reference:**

Terms of reference of the Audit Committee, inter alia, includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; recommending appointment, remuneration and terms of appointment of auditors; reviewing/examining quarterly and annual financial statements and auditor's report thereon before submission to the Board for approval; evaluate Company's internal financial controls and risk management systems; reviewing performance of statutory and internal auditors and adequacy of internal control systems; reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations.

#### **Composition, Meetings and Attendance:**

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the SEBI Listing Regulations.

All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. Mrs. Madhu Dubhashi, Non-Executive and Independent Director is the Chairperson of the Committee. The Committee meetings were attended by the Statutory Auditors and the Chief Financial Officer of the Company as invitees. The Committee also invited the representatives of Internal Auditors for obtaining valuable guidance from their expertise in best practices in Internal Audit. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

As per the applicability of the SEBI Listing Regulations, Audit Committee meetings were held at least four times in a year and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days during the Financial Year 2023-24. During the year ended March 31, 2024, 7 (seven) Audit Committee meetings were held on April 12, 2023; May 30, 2023; July 10, 2023; August 11, 2023; November 09, 2023; February 09, 2024 and March 28, 2024.

The composition and attendance of the members of the Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Madhu Dubhashi	Chairperson	Non-Executive & Independent Director	7	7
2.	Jagdishwar Prasad Sinha	Member	Non-Executive & Independent Director	7	7
3.	Mehul Mohanka	Member	Managing Director	7	6
4.	Ashwani Maheshwari	Member	Non-Executive & Independent Director	7	7

#### Nomination & Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Act read with Regulation 19 of SEBI Listing Regulations.

#### **Terms of Reference:**

The terms of reference of the Nomination & Remuneration Committee covers all the areas mentioned under Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act including evaluating the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statutes, rules and regulations which the Committee deems relevant; making recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company;

identifying the persons who are qualified to become Directors and who may be appointed in senior management along with remuneration payable to them in accordance with the criteria laid down and recommending to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent directors); approve the grant of options and allotment of shares to the eligible employees of the Company and its subsidiaries under the shareholders approved ESOP Scheme and other matters specified for Nomination and Remuneration Committee in Section 178 of the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and under SEBI Listing Regulations.

#### **Composition, Meetings and Attendance:**

During the year ended March 31, 2024, 4 (four) meetings of Nomination & Remuneration Committee were held on April 12, 2023; May 25, 2023; July 10, 2023 and November 09, 2023.

The composition and attendance of the members of the Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Ashwani Maheshwari	Chairman	Non-Executive & Independent Director	4	4
2.	Madhu Dubhashi	Member	Non-Executive & Independent Director	4	4
3.	Jagdishwar Prasad Sinha	Member	Non-Executive & Independent Director	4	4

#### **Remuneration of directors:**

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other Senior Management Personnels and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors is available at the link - [https://www.tegaindustries.com/investors/policies/nomination\\_and\\_remuneration\\_policy.pdf](https://www.tegaindustries.com/investors/policies/nomination_and_remuneration_policy.pdf).

The role of Non-Executive and Independent Directors is not just restricted to Corporate Governance or outlook of the Company. They also bring with them significant professional expertise and rich experience across a wide spectrum of functional areas in the fields of scientific knowledge, research and innovation, manufacturing, global healthcare service, general management, finance and risk management, compliance and governance, technology and digital perspective and other corporate functions. The Company seeks their expert advice on various matters from time to time. The Nomination and Remuneration Committee

determines and recommends to the Board the compensation payable to the Directors.

Non-Executive Directors are paid remuneration by way of commission. The overall limit is 1% per annum of net profits of the Company, calculated as per the provisions of Section 198 of the Act for remuneration payable by way of quarterly commission to the Non-Executive and Independent Directors of the Company.

The Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than Commission (not exceeding the limits prescribed under the Act) and Sitting Fees and reimbursement of expenses, if any, for attending meetings of the Board and Committees thereof. The Non-Executive Directors and Independent Directors are paid ₹ 40,000/- each for attending each meeting of the Board and ₹ 10,000/- each for attending each meeting of the Committees. No sitting fees is paid for attending meetings of the Corporate Social Responsibility Committee.

Details of remuneration paid/payable to the Directors for the year ended March 31, 2024 and their shareholding as on that date is as under:

Names of Directors	Salary	Perquisites/ Benefits	Bonus	Commission	Sitting Fees	Others*	Total	(₹ in Million)
								Shareholding (No. of shares)
<b>Executive Directors</b>								
Mr. Madan Mohan Mohanka	42.59	1.06	12.56	-	-	-	56.21	53,48,502
Mr. Mehul Mohanka	44.60	0.24	13.10	-	-	-	57.94	3,315
Mr. Syed Yaver Imam <sup>#</sup>	-	-	-	-	-	27.03	27.03	29,510
<b>Independent Directors</b>								
Mrs. Madhu Dubhashi	-	-	-	1.00	0.43	-	1.43	-
Mr. Jagdishwar Prasad Sinha	-	-	-	1.48	0.43	-	1.91	-
Mr. Ashwani Maheshwari	-	-	-	1.00	0.49	-	1.49	-

**Note:** (i) The above table includes provisions made for gratuity, leave benefits (determined as per the actuarial valuation) and bonus (determined by the Nomination & Remuneration Committee).

(ii) Excludes value of perquisite upon exercise of stock options which were granted during earlier financial years. No options were granted during the year.

\*Mr. Imam is entitled to receive Professional fees and may, at any time, and after giving ninety (90) days prior notice of its intent to do so, or equivalent base compensation in lieu thereof, terminate the engagement with the Company.

<sup>#</sup>Appointed as an Additional Director (Category: Non-Executive Non-Independent) with effect from June 01, 2024.

The appointment of the Chairman and the other Executive Directors is governed by the resolutions passed and the agreements approved by the Board and the shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. Letters of appointment have been issued by the Company to the Independent Directors, detailing inter alia others, their roles, duties, responsibilities, etc.

The tenure of office of Mr. Madan Mohan Mohanka, Chairman & Whole time Director and Mr. Mehul Mohanka, Managing Director & Group CEO is for 5 (five) years from their respective date of appointment. Further, the Agreement can be terminated by either party by giving six months' notice or equivalent gross compensation in lieu thereof with respect to Mr. Madan Mohan Mohanka and by giving six months' notice with respect to Mr. Mehul Mohanka. Mr. Syed Yaver Imam was appointed for a period of 5 (five) years with effect from June 01, 2019 as a Non-Executive Director. Later on, he was re-designated as a Wholetime Director in the Company with effect from April 01, 2021 and the same was approved by the shareholders in the Extra-Ordinary General Meeting held on August 02, 2021. His term concludes on May 31, 2024. Further, with effect from June 01, 2024, Mr. Imam has been appointed as an Additional Director (Category: Non-Executive Non-Independent) and shall hold office till the conclusion of the ensuing Annual General Meeting (AGM). Tega McNally Minerals Limited, a wholly owned subsidiary of the Company, has appointed Mr. Imam as its Chief Executive Officer w.e.f June 01, 2024.

There is no separate provision for payment of severance fees.

#### Succession Planning:

The Board on the recommendation of the Nomination & Remuneration Committee has formulated a Policy on Succession Plan for the Board and Senior Management and the same is available on the website of the Company at the following web-link: [https://www.tegaindustries.com/investors/policies/policy\\_on\\_succession\\_planning\\_for\\_the\\_Board\\_&\\_Senior\\_Management.pdf](https://www.tegaindustries.com/investors/policies/policy_on_succession_planning_for_the_Board_&_Senior_Management.pdf).

#### Performance Evaluation and Criteria:

Pursuant to Section 178 of the Act and the SEBI Listing Regulations, the Nomination & Remuneration Committee (NRC) has specified the manner and the criteria for performance evaluation of the Board, its Committees and Individual Directors (including Independent Directors). Accordingly, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The indicative criteria on which evaluation was carried out includes Degree of fulfilment of key responsibilities; Board structure and composition; Effectiveness of Board processes, information and functioning; Attendance (captured from records of meetings); Contribution at Board Meetings; Guidance/ support to management / Committee meetings; Quality of relationship of the committee with the Board and the management; etc.

The performance evaluation of the Board, its Chairman and the Non-Independent Directors was also carried out by the Independent Directors in its separate meeting. The NRC also reviewed the implementation of the criteria specified for performance evaluation and also formulated its feedback for supporting the Board in carrying out such evaluation of the performance. The evaluation of performance for the Financial



Year 2023-24 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05, 2017. The Board expressed its satisfaction with the evaluation process and results thereof.

#### Risk Management Committee

In compliance with Regulation 21 of the SEBI Listing Regulations, the Board of Directors of the Company have a Risk Management Committee to review, in particular, the Risk Management Policy of the Company, the effectiveness and adequacy of the Risk Management Systems of the Company.

#### **Terms of Reference:**

The terms of reference of Risk Management Committee covers all the requirements of Regulation 21 of the SEBI Listing Regulations including Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the

Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan; Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems; Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary; Keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken; Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any); To implement and monitor policies and/or processes for ensuring cyber security and any other similar or other functions as may be laid down by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

#### **Composition, Meetings and Attendance:**

During the year ended March 31, 2024, 3 (three) meetings of the Risk Management Committee were held on April 12, 2023; October 09, 2023 and March 28, 2024.

In view of appointment of Mr. Sharad Kumar Khaitan, Chief Financial Officer of the Company, the Risk Management Committee was reconstituted with effect from July 10, 2023. Accordingly, the composition and attendance of the members of Risk Management Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mehul Mohanka	Chairman	Managing Director	3	2
2.	Syed Yaver Imam*	Member	Executive Director	3	3
3.	Ashwani Maheshwari	Member	Non-Executive & Independent Director	3	3
4.	Shyama Prasad Ganguly (Member till 10.07.2023)	Member	Deputy General Manager – Finance & Accounts	1	1
5.	Sharad Kumar Khaitan (inducted as a Member w.e.f 10.07.2023)	Member	Chief Financial Officer	2	2

\*Appointed as an Additional Director (Category: Non-Executive Non-Independent) with effect from June 01, 2024

#### Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of Section 135 of the Act, the Company has Corporate Social Responsibility (CSR) Committee which has been entrusted with the specific responsibilities of approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends.

#### **Terms of Reference:**

The terms of reference of CSR Committee are in conformity with the requirements of the Act which, inter alia, includes formulating and recommending to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII

of the Act; review and recommend the amount of expenditure to be incurred on the activities; monitoring the Corporate Social Responsibility policy of the Company and its implementation from time to time and any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and /or as may be required under applicable law, as and when amended from time to time.

#### **Composition, Meetings and Attendance:**

During the year ended March 31, 2024, 2 (two) CSR Committee meetings were held on May 25, 2023, and August 11, 2023.

The composition and attendance of the members of the Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Madhu Dubhashi	Chairperson	Non-Executive & Independent Director	2	2
2.	Ashwani Maheshwari	Member	Non-Executive & Independent Director	2	2
3.	Mehul Mohanka	Member	Managing Director	2	2

#### Stakeholders Relationship Committee

In compliance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, the Board of Directors of the Company have constituted a Stakeholders Relationship Committee.

#### **Terms of Reference:**

The terms of reference of Stakeholders Relationship Committee (SRC) are in conformity with the requirements of Section 178 of the Act and Regulation 20 read with Para B of Part D of Schedule II to the Listing Regulations which, inter alia, includes considering and looking into various aspects of interest of shareholders and other security holders of the company; resolving the grievances of the security holders of the company including complaints

related to transfer/ transmission of shares, non- receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.; reviewing of various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company and carrying out any other functions required to be carried out by the Stakeholders Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time .

#### **Composition, Meetings and Attendance:**

During the year ended March 31, 2024, 2 (two) SRC meetings were held on May 25, 2023 and November 08, 2023.

The composition and attendance of the members of the Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Ashwani Maheshwari	Chairman	Non-Executive & Independent Director	2	2
2.	Syed Yaver Imam*	Member	Executive Director	2	2
3.	Mehul Mohanka	Member	Managing Director	2	2

\*Appointed as an Additional Director (Category: Non-Executive Non-Independent) with effect from June 01, 2024.

#### **Compliance Officer:**

Ms. Manjuree Rai, Company Secretary (holding Membership No. A12858), is the Compliance Officer of the Company under the SEBI Listing Regulations.

#### **Details of Shareholders' complaints:**

No complaints were received during the period under review. There were no outstanding complaints as on March 31, 2024.

The Company has authorised the Stakeholders Relationship Committee to examine and redress complaints by shareholders and investors. The status of quarterly complaints is reported to the Board of Directors. The Company constantly monitors the SEBI Complaints Redressal System (SCORES) to track and redress the investor complaints in a speedy manner. The Company also has a designated email id for transparent and effective communication with shareholders i.e. [investor.relations@tegaindustries.com](mailto:investor.relations@tegaindustries.com). There are no pending complaints on the SCORES platform.

#### Sustainability Committee

The Sustainability Committee has been constituted by the Board of Directors on May 30, 2023, to oversee and drive sustainability initiatives within the organization. This Committee is entrusted with the specific responsibility for developing and effectively implementing sustainability-based policies and strategies that are not only techno-economically viable but which shall

also ensure that it meets the expectations and concerns of all interested stakeholders.

#### **Terms of reference:**

The terms of reference of the Sustainability Committee covers developing and implementing a sustainability framework and roadmap for the organization that is able to - promote sustainable practices and behaviour, identify innovation, explore continuous improvement in sustainability practices and bring in more competitive advantage to the business in comparison to its peers; ensuring that the sustainability tasks are completely ingrained and integrated in the strategy of the core business and its performance and progress is monitored, reviewed and evaluated at periodic interval; identifying and prioritizing sustainability goals, targets, and key performance indicators (KPIs) aligned with the organization's values and industry best practices; identifying and ensuring compliance with relevant national and international laws, regulations, and standards related to sustainability that have a potential to impact the business of the Company; collaborating and initiating dialogue with relevant internal and external stakeholders who impact or could impact the business of the Company, as well as be impacted by the business of the Company with an overall objective of creating value both for the stakeholder as well as for the Company; exploring opportunities of increasing investment by ensuring higher Environment Social Governance rating and other matters specified for Sustainability Committee.

### Composition, Meetings and Attendance:

During the year ended March 31, 2024, 1 (one) meeting was held on November 08, 2023.

The composition and attendance of the members of the Committee during the Financial Year 2023-24 are as follows:

Sl. No.	Name of Director	Position	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Ashwani Maheshwari	Member	Non-Executive & Independent Director	1	1
2.	Mehul Mohanka	Member	Managing Director	1	1
3.	Manoj Kumar Sinha	Member	Director- Global Operations	1	1

### Particulars of Senior Management

The particulars of senior management as on March 31, 2024 are:

Name of Senior Management	Category
Mr. Manoj Kumar Sinha	Global Head of Operations
Mr. Bhanu Sharma	Global Head of Human Resources & Administration
Mr. Sharad Kumar Khaitan*	Chief Financial Officer
Mr. Pratik Basu Roy <sup>#</sup>	President – Product Management & Sales
Ms. Manjuree Rai	Global Head of Legal and Compliance, Company Secretary

\*Appointed as the Chief Financial Officer of the Company with effect from July 10, 2023.

<sup>#</sup>Appointed as the President – Product Management & Sales with effect from November 21, 2023.

### Website

The Company has maintained a functional website i.e. [www.tegaindustries.com](http://www.tegaindustries.com) containing basic information about the Company like details of business, financial information, shareholding pattern, press release, compliance with Corporate Governance, contact information of designated officials of the Company who are responsible for assisting and handling investor grievances, etc.

The information required to be disclosed under Regulation 46 of the SEBI Listing Regulations is disseminated at the website of the Company.

### General Body Meetings

Location and time, where last three Annual General Meetings were held:

Financial Year Ended	Date	Time	Venue	Special Resolution Passed
March 31, 2023	August 29, 2023	11:00 A.M. (IST)	Through Video Conferencing Deemed Venue: Godrej Waterside, Tower-II, Unit No. 807, 8 <sup>th</sup> Floor, Plot-5, Block-DP, Sector-V, Salt Lake Electronics Complex, Kolkata-700091	-
March 31, 2022	September 22, 2022	11:00 A.M. (IST)	Through Video Conferencing Deemed Venue: Godrej Waterside, Tower-II, Unit No. 807, 8 <sup>th</sup> Floor, Plot-5, Block-DP, Sector-V, Salt Lake Electronics Complex, Kolkata-700091	(i) Re-appointment of Mrs. Madhu Dubhashi (DIN: 00036846) as an Independent Director of the Company for a second term of 5 (five) consecutive years; (ii) Re-appointment of Mr. Mehul Mohanka (DIN: 00052134) as the Managing Director of the Company & Group CEO for a further period of 5 (five) consecutive years.
March 31, 2021	September 29, 2021	12:00 P.M. (IST)	Godrej Waterside, Tower-II, Unit No. 807, 8 <sup>th</sup> Floor, Plot-5, Block-DP, Sector-V, Salt Lake Electronics Complex, Kolkata-700091	(i) Continuation of Directorship of Mr. Rudolph Micheal Edge (DIN: 00626151) as Non-Executive Independent Director.

During the year ended March 31, 2024, No Extra Ordinary General Meetings of the Members were held.

#### Postal Ballot:

During FY2023-24, no resolution was passed through postal ballot.

Further, no special resolution is proposed to be passed through Postal Ballot as on the date of this report. However, if required, the same shall be passed in compliance with the provisions of the Act, the SEBI Listing Regulations and any other applicable laws.

#### Means of Communication

The full format of the results are filed with the Stock Exchanges on NSE Electronic Application Processing System (NEAPS)

and BSE Corporate Compliance & Listing Centre (the Listing Centre) and are available on the websites of the Stock Exchange - [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). The extract of the said financial results were published in the leading English and Bengali newspapers such as Financial Express (All editions) and Arthik Lipi.

The financial results, official news releases, presentations made to Institutional Investors and Analysts, concall transcripts and the audio/video recordings with Analysts have been hosted on the Company's website [www.tegaindustries.com](http://www.tegaindustries.com) as well as on the website of stock exchanges – BSE and NSE, from time to time. No unpublished price sensitive information is discussed in the meetings/presentations shared with the Analysts/Investors.

#### General Shareholder Information

##### Annual General Meeting (AGM)

Date	Tuesday, August 20, 2024
Venue	The AGM will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") in compliance with the SEBI Regulations/MCA Circulars and shall be deemed to be conducted at the Registered Office of the Company.
Time	11:00 A.M. (IST)
Record Date	Saturday, August 10, 2024

##### Financial Year

The Financial Year under review is from April 01, 2023 to March 31, 2024.

##### Dividend Payment Date

Within a period of 30 days from the AGM date, if declared by the Members at the AGM.

##### Listing on Stock Exchange(s)

##### **Name and address of Stock Exchange(s):**

The Equity Shares of the Company are listed on-

- BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
BSE Scrip Code: 543413
- National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai – 400 051  
NSE Symbol: TEGA

Listing fees for the FY 2024-25 has been paid to both the aforementioned stock exchanges.

##### Market Price Data – High, Low and volume (no. of shares traded) during each month for the Financial Year ended March 31, 2024 on BSE Limited and National Stock Exchange of India Limited

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (No. of shares traded)	High (₹)	Low (₹)	Volume (No. of shares traded)
April 2023	725.90	643.65	76,389	726.00	644.10	9,73,000
May 2023	899.85	651.00	3,89,993	899.45	652.00	33,33,000
June 2023	1,005.85	860.05	32,07,239	1,007.00	863.70	32,91,000
July 2023	1,081.25	950.00	1,26,733	1,080.90	937.00	15,06,000
August 2023	1,100.00	873.05	2,17,799	1,110.00	873.15	36,68,000
September 2023	1,001.95	910.50	78,497	998.35	912.00	13,68,000
October 2023	968.10	842.05	1,76,909	968.00	841.70	25,54,000
November 2023	1,084.15	893.80	1,17,460	1,084.20	909.00	21,16,000
December 2023	1,226.55	965.15	3,40,168	1,224.40	963.95	39,87,000

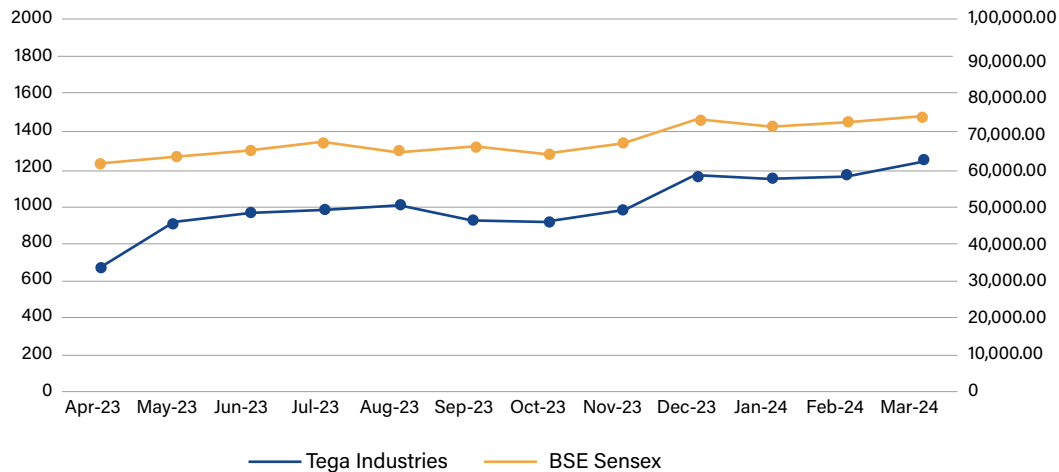


Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (No. of shares traded)	High (₹)	Low (₹)	Volume (No. of shares traded)
January 2024	1,223.55	1,061.00	1,62,213	1,222.20	1,059.85	14,57,000
February 2024	1,372.95	1,076.90	1,87,013	1,380.00	1,070.00	26,48,000
March 2024	1,299.45	1,097.00	57,877	1,300.00	1,095.60	13,11,000

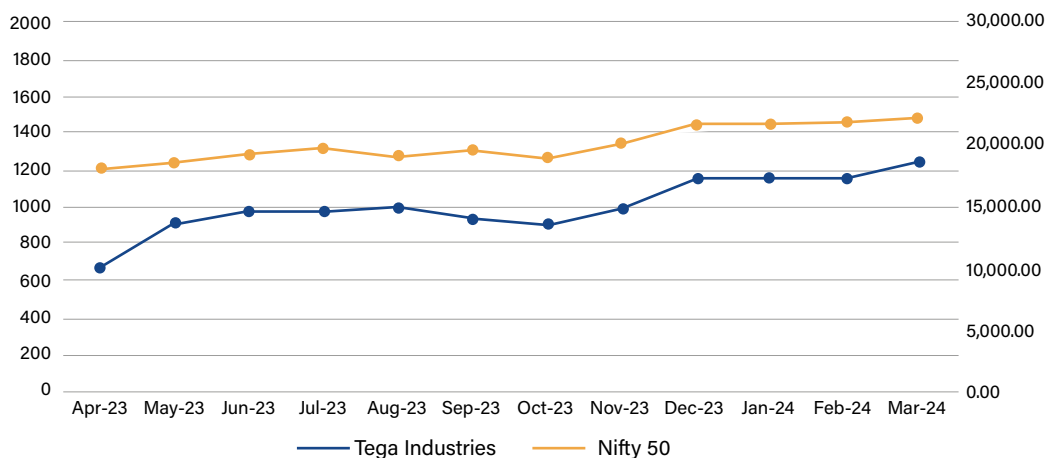
*Performance of the share price of the Company in comparison to broad-based indices such as BSE SENSEX and NIFTY 50*

Month	Closing Price of Equity Shares at BSE (₹)	BSE SENSEX	Closing Price of Equity Shares at NSE (₹)	NIFTY 50
April 2023	659.25	61,112.44	658.05	18,065.00
May 2023	899.85	62,622.24	899.45	18,534.40
June 2023	972.20	64,718.56	971.40	19,189.05
July 2023	981.75	66,527.67	983.70	19,753.80
August 2023	995.90	64,831.41	995.40	19,253.80
September 2023	929.15	65,828.41	930.75	19,638.30
October 2023	915.85	63,874.93	912.00	19,079.60
November 2023	984.30	66,988.44	984.05	20,133.15
December 2023	1,154.45	72,240.26	1,152.00	21,731.40
January 2024	1,154.00	71,752.11	1,155.80	21,725.70
February 2024	1,167.75	72,500.30	1,165.40	21,982.80
March 2024	1,242.75	73,651.35	1,241.10	22,326.90

Tega Industries - BSE Sensex



Tega Industries - Nifty 50



**Registrar and Share Transfer Agent**

Link Intime India Private Limited is the Registrar and Share Transfer Agent ("RTA") of the Company.

**Address:**

Room Nos.: 502 & 503,  
5<sup>th</sup> Floor, Vaishno Chamber,  
6, Brabourne Road, Kolkata – 700 001  
SEBI Registration No.: INR000004058  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Email id: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)

**Distribution of Shareholding**

Distribution of Shareholding as on March 31, 2024:

**(a) According to category of holding:**

Category	No. of Share Holders	% of Share Holders	No. of Shares	% of Shares
<u>Promoters &amp; Promoter Group</u>	4	0.01	49758945	74.79
<u>Institutions:</u>				
Mutual Funds	13	0.02	10518894	15.81
Alternate Investment Funds	2	0.00	201015	0.30
Insurance Companies	2	0.00	1987349	2.99
NBFCs registered with RBI	2	0.00	2730	0.00
Foreign Portfolio Investors Category I	43	0.08	935258	1.41
Foreign Portfolio Investors Category II	5	0.01	45563	0.07
<u>Non-Institutions:</u>				
Directors and their relatives (excluding independent directors and nominee directors)	1	0.00	29510	0.04
Resident Individuals	54673	96.15	2585868	3.89
NRIs	841	1.48	118433	0.18
Foreign Nationals	2	0.00	9451	0.01
Bodies Corporate	181	0.32	213437	0.32
Trusts	4	0.01	20364	0.03
LLP	18	0.03	7769	0.01
HUF	1069	1.89	100501	0.15
Clearing Members	2	0.00	405	0.00
<b>Total</b>	<b>56862</b>	<b>100.00</b>	<b>66535492</b>	<b>100.00</b>

**(b) According to the number of Equity Shares held:**

Sl. No.	SHARES RANGE	NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1.	1 to 500	56634	98.7670	1834542	2.7572
2.	501 to 1000	336	0.5860	259034	0.3893
3.	1001 to 2000	158	0.2755	233542	0.3510
4.	2001 to 3000	48	0.0837	121534	0.1827
5.	3001 to 4000	32	0.0558	110214	0.1656
6.	4001 to 5000	17	0.0296	76670	0.1152
7.	5001 to 10000	41	0.0715	276351	0.4153
8.	10001 to *****	75	0.1309	63623605	95.6237
<b>Total</b>		<b>57341</b>	<b>100.0000</b>	<b>66535492</b>	<b>100.0000</b>

### Demat Suspense Account/Unclaimed Suspense Account

In terms of Regulation 34 read with Schedule V to the SEBI Listing Regulations, the listed entity has to make certain disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account. In this regard, the Company is not required to make any disclosures as it does not have any demat suspense account/unclaimed suspense account.

### Share Transfer System

SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Status of dematerialization as on March 31, 2024-

<b>PARTICULARS</b>	<b>NO. OF SHARES</b>	<b>% TO TOTAL CAPITAL</b>
National Securities Depository Limited	63701401	95.74
Central Depository Services (India) Limited	2713765	4.08
Total Dematerialised	66415166	99.82
Physical	120326	0.18
<b>Grand Total</b>	<b>66535492</b>	<b>100</b>

### Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

### Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion Date and likely impact on equity

Not Applicable.

### Transfer of unclaimed/unpaid dividend to the Investor Education and Protection Fund

In terms of Section 125 of the Act, read with rules made thereunder, every Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from

Transfer of shares in electronic form are processed and approved by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") through their Depository Participant without the involvement of the Company.

During the year, the Company has obtained, a certificate from a Company Secretary in Practice, as per Regulation 40(9) of the SEBI Listing Regulations in respect of due compliance of share transfer formalities of the Company. The Company has delivered/sent letters of confirmation as per SEBI's operational guidelines, for execution of issue of duplicate share certificates received during the Financial Year ended March 31, 2024, within the prescribed time from the respective date of lodgement.

### Dematerialization of shares and liquidity

The Company has entered into agreements with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories.

Demat ISIN no. for equity shares of the Company in NSDL and CDSL is INE011K01018.

99.82% of the equity shares of the Company have been dematerialized as on March 31, 2024.

the date of transfer of such amounts to Unpaid Dividend Account to Investor Education and Protection Fund (IEPF). There are no unclaimed/unpaid amounts due for transfer to IEPF during the year under review.

### Commodity Price Risk or foreign exchange risk and hedging activities

The Company lays down the overall risk strategy and Risk Committee oversees the application and adherence to it. The Company has adopted a comprehensive approach for market risk that not only hedges against market risks, but also endeavours to maximise the risk-adjusted rate of return of the portfolio by keeping close track of macro-economic developments including changes and its impact on movement in interest rates, foreign exchange rates and liquidity position in the market. Foreign exchange risk management becomes an imperative as the Company has exposure in foreign receivables and payables in foreign currency. Therefore, in order to optimise the cost of funds and diversify the funding mix, effective hedging strategies are put

in place in keeping with the Company's risk appetite and limits pertaining an open position are devised.

The Company does not deal in commodity hedging and hence the disclosure pursuant to SEBI Master Circular dated July 11, 2023 is not required to be given.

#### Plant Locations

The Company has six manufacturing sites, including 3 (three) in India i.e. at Dahej in Gujarat and at Samali and Kalyani in West Bengal, and one each in South Africa, Chile and Australia. Location of the plants are:

- **Kalyani:** P.O. Netaji Subhas Sanatorium, Kalyani, Nadia – 741251
- **Samali:** Village – Samali, Barapukur Road, P.O. Nahajari, District - 24 Parganas (South), Kolkata – 700104
- **Dahej:** Plot No. Z/103/J, Dahej (SEZ), Phase II, P.O. Dahej, Vagra District, Bharuch, Gujarat – 392130
- **Chile:** Galvarino 7701, Quilicura, Santiago, Chile
- **South Africa:** 2 Uranium Road, Vulcania Ext 2, Brakpan, 1541
- **Australia:** Unit 2&3, 26 Biscayne Way, Jandakot, WA 6164

#### Address for correspondence

Registered Office –

Tega Industries Limited

Godrej Waterside, DP-5, DP Block, Tower II- 8<sup>th</sup> floor, Salt Lake Sector V, Bidhannagar, Kolkata, West Bengal 700091

**T.** +91 33 4093 9000 | **F.** +91 33 4093 9075

**W.** [www.tegaindustries.com](http://www.tegaindustries.com)

**Email address:** [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com)

#### Credit Ratings

The Company has obtained credit ratings for the credit facilities sanctioned to it and the strong ratings ascribed by the Rating Agencies reflect the Company's financial discipline and prudence in management.

As on the date of this report, CRISIL Ratings Limited has upgraded the ratings of the Company as follows:

<b>Long Term Rating</b>	CRISIL AA-/Stable (Upgraded from 'CRISIL A+/Stable')
<b>Short Term Rating</b>	CRISIL A1+ (Upgraded from 'CRISIL A1')

### Disclosure of certain types of agreement binding listed entities

There are no agreements which are required to be disclosed as per Clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

### Other Disclosures

- i) **Related Party Transactions** - The Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company at large. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes to the Financial Statements. The Company has disclosed the policy on dealing with the related party transactions on its website at the following web-link: [https://www.tegaindustries.com/investors/policies/policy\\_on\\_related\\_party\\_transactions.pdf](https://www.tegaindustries.com/investors/policies/policy_on_related_party_transactions.pdf).

#### Details of Material Subsidiaries

Pursuant to Regulation 16(1)(c) of the SEBI Listing Regulations, the Company has four material subsidiaries as on March 31, 2024, details of which are mentioned below:

Sl. No.	Name of subsidiary	Date of incorporation	Place of incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
1.	Tega Holdings Pte. Limited	December 01, 2010	Singapore	JH Tan & Associates	23.05.2023
2.	Tega Industries Africa (Pty) Limited <sup>@</sup>	November 08, 1984*	South Africa	Price Waterhouse Coopers Inc., South Africa	30.05.2023
3.	Tega Industries Chile SpA	February 05, 1990 <sup>#</sup>	Santiago, Chile	PwC Chile	30.05.2023
4.	Tega McNally Minerals Limited	December 06, 1943	Gujarat, India	V. Singhi & Associates	25.09.2019

<sup>@</sup>As on the date of this report, Tega Industries Africa (Pty) Limited ceases to be a material subsidiary.

\*Acquired by Tega Industries Limited in accordance with the share purchase agreement dated May 12, 2006.

<sup>#</sup>Acquired by Tega Industries Limited in accordance with the stock purchase agreement dated February 03, 2011.

The Company has appointed Independent Directors of the Company to serve as Independent Directors on the Board of its unlisted material subsidiaries.



The Company has also disclosed the policy for determining material subsidiaries on its website at the following web-link: [https://www.tegaindustries.com/investors/policies/policy\\_for\\_determining\\_material\\_subsidaries.pdf](https://www.tegaindustries.com/investors/policies/policy_for_determining_material_subsidaries.pdf).

- ii) Details of non-compliance by and penalties, etc. imposed on the Company** - There were no instances of non-compliances related to capital markets during the year under review and no penalties/strictures were imposed against the Company during the last three years.
- iii) Vigil Mechanism/Whistle Blower Policy** - Whistle Blower Policy framed by the Company to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any, is available on the Company's website at the following web-link: [https://www.tegaindustries.com/images/articles/pdf/Whistle\\_Blower\\_Policy.pdf](https://www.tegaindustries.com/images/articles/pdf/Whistle_Blower_Policy.pdf).
- No complaints were reported under the vigil mechanism during the FY 2023-24. Further, no personnel has been denied access to the Audit Committee.
- iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements** - All mandatory requirements relating to Corporate Governance under the SEBI Listing Regulations have been appropriately complied with.
- v) Details of utilization of funds raised through preferential allotment or qualified institutions placement** - The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.
- vi) Management Discussion and Analysis Report** - In terms of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Details of significant changes in key financial ratios, along with detailed explanations thereof (including details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof) have been adequately covered under the Management Discussion and Analysis Report.
- vii) Annual Secretarial Compliance Report** - In terms of Regulation 24A of the SEBI Listing Regulations and circulars issued thereunder, the Company has obtained the Annual Secretarial Compliance Report from Mrs. Sweety Kapoor, Practicing Company Secretary (Membership No. FCS 6410 and C.P. No. 5738) for the Financial Year ended March 31, 2024 confirming compliance of all the applicable SEBI Regulations and circulars/guidelines issued thereunder. The Company on its own maintains a Structured Digital Database containing the details of persons/entities with whom Unpublished Price Sensitive Information is shared. This database is maintained with adequate controls and checks such as time stamping and audit trails to ensure stamping and data base cannot be tampered.

**viii) CEO & CFO Certification** - Mr. Mehl Mohanka, Managing Director & Group CEO and Mr. Sharad Kumar Khaitan, Chief Financial Officer have issued a certificate according to the provisions of Regulation 17(8) of the SEBI Listing Regulations for the Financial Year 2023-24 certifying that the financial statements do not contain any material untrue statement and these statements represent a true and fair view of the Company's affairs. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

**ix) Accounting Treatment in preparation of Financial Statements** - The financial statements have been prepared in accordance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the date of the financial statements as approved by the Board of Directors have been considered in preparing these financial statements.

**x) Risk Management Policy** - The Company has a defined Risk Management Policy approved by the Board of Directors of the Company. The Risk Management Policy is available on the website of the Company at the following web link: [https://www.tegaindustries.com/investors/policies/risk\\_management\\_policy.pdf](https://www.tegaindustries.com/investors/policies/risk_management_policy.pdf).

Further, the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.

**xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** - As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules made thereunder, the Company has constituted an Internal Complaints Committee at all its locations to address complaints pertaining to sexual harassment in accordance with the POSH Act. The objective being providing a safe working environment to all the employees of the Company (permanent, contractual, temporary and trainees covered under this policy).

No complaints were pending at the beginning of the financial year. During the year under review, 1 (one) complaint/case was filed, the same was disposed off during the financial year and no complaints were pending for redressal as on end of the financial year, pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**xii) Certificate from Practicing Company Secretary regarding non-debarment and non-disqualification of Directors** - A certificate has been obtained from Mrs. Sweety Kapoor, Practicing Company Secretary (Membership No. FCS 6410 and C.P. No. 5738) confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

**xiii) Acceptance of recommendation of Committees by the Board** - All recommendations made by the Committees of the Board during the year were accepted by the Board. During the FY 2023-24, there was no such instance wherein the Board had not accepted any recommendation of any committee of the Board.

**xv) Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' -**

Loan given by	Loan given to	Amount (₹ in Million)
Tega Industries Limited	Tega Holdings Pte. Limited	196.00

*Note:* The said loan is an existing loan and no fresh loan has been given to Tega Holdings Pte. Limited.

**xvi) Compliance with Corporate Governance Requirements** - The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

**xvii) Compliance with discretionary requirements -**

- Maintenance of Chairman's office - This particular compliance is not applicable to the Company as the Company has an Executive Chairperson on Board.
- Shareholder Rights - As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website at <https://www.tegaindustries.com/investor#stock-tab>, the same are not being sent to the shareholders separately.

**xiv) Consolidated fees paid/payable to Statutory Auditors** - Details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis for the FY 2023-24, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, are given below:

Particulars	Amount (₹ in Million)
Statutory Audit Fees	12.56
Limited Review	6.65
Tax Audit Fees	0.60
Certification Fees	0.13
Reimbursement of expenses	0.57
<b>Total</b>	<b>20.51</b>

c. Modified opinion(s) in Audit Report - The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

d. Reporting of Internal Auditor - The Internal Auditor functionally reports to the Audit Committee.

**xviii)** Other items which are not applicable to the Company have not been separately commented upon.

**On behalf of the Board of Directors**

**Sd/-**

**Madan Mohan Mohanka**

Chairman

DIN: 00049388

Place: Kolkata

Date: May 23, 2024

# **DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT**

Tega Industries Limited ("the Company") has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

It is hereby confirmed that the Company has obtained affirmation from all the Board Members and Senior Management Personnel that they have complied with the said Code for the Financial Year 2023-24.

**On behalf of the Board of Directors**

**Sd/-**

**Mehul Mohanka**

Managing Director & Group CEO

DIN: 00052134

Place: Kolkata

Date: May 23, 2024

## **CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We, the undersigned, in our respective capacities, to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
  1. there has been no significant change in internal control over financial reporting during the year;
  2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**Sd/-**

**Mehul Mohanka**

Managing Director & Group CEO

Place: Kolkata

Date: May 23, 2024

**Sd/-**

**Sharad Kumar Khaitan**

Chief Financial Officer

# CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members of  
**Tega Industries Limited**

I have examined the compliance of the conditions of Corporate Governance by **Tega Industries Limited** [L25199WB1976PLC030532] ("the Company") for the year ended March 31, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

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

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

**Sd/-**

**Sweety Kapoor**

Practising Company Secretary  
Membership No. FCS 6410, CP No. 5738  
UIN: I2003WB399800  
PRCN: 660/2020  
UDIN: F006410F000426192

Place: Kolkata  
Date: May 23, 2024



# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

**The Members of**

**TEGA INDUSTRIES LIMITED**

Godrej Waterside, Tower-II,  
Office No. 807, 8<sup>th</sup> Floor, Block DP-5,  
Salt Lake Sector V,  
Bidhannagar, Kolkata – 700091

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Tega Industries Limited (hereinafter referred to as “the Company”), having CIN: L25199WB1976PLC030532 and registered office at Godrej Waterside, Tower-II, Office No. 807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata - 700091, produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para – C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sl. No.	DIN	Name	Date of appointment in Company
1.	00049388	MADAN MOHAN MOHANKA	15/05/1976
2.	00052134	MEHUL MOHANKA	06/06/2002
3.	00588381	YAVAR SYED IMAM	19/07/2005
4.	02345086	JAGDISHWAR PRASAD SINHA	01/05/2021
5.	00036846	MADHU DUBHASHI	01/05/2021
6.	07341295	ASHWANI MAHESHWARI	01/04/2022

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

**Sd/-**

**Sweety Kapoor**

Practising Company Secretary  
Membership No. FCS 6410, CP No. 5738  
UIN: I2003WB399800  
PRCN: 660/2020  
UDIN: F006410F000426093

Place: Kolkata

Date: May 23, 2024

# ANNEXURE V

FORM NO. MR-3

## Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

### The Members

#### Tega Industries Limited

Godrej Waterside, Tower-II,  
Block DP-5, Office No. - 807, 8<sup>th</sup> Floor  
Salt Lake Sector V, Bidhannagar  
Kolkata - 700091, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tega Industries Limited** (L25199WB1976PLC030532) (hereinafter called the '**Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (vi) The following industry specific law applicable to the Company as identified and confirmed by the Company and compliance whereof as examined on test check basis and confirmed by the management:

The Rubber Act, 1947.

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

- a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI);
- b) The Listing Agreement entered into by the Company with BSE Limited and The National Stock Exchange of India Limited.

I report that during the Period under Review, the Company has complied with the provisions of the Laws, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, during the year under review, there were no actions/events in pursuance of the following Rules/Regulations requiring compliance thereof by the Company:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- d) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

**I further report that:**

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board during the period under review barring reappointment of directors liable to retire by rotation.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least 7 days in advance except in case of meeting held with shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and therefore no dissenting views were required to be captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company, commensurate with the size and operations

of the Company, to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

**I further report that** during the Audit Period under review:

1. The Company has allotted 1,81,380 Equity shares of Rs. 10/- each fully paid under the Employee Stock Option Scheme of the Company.
2. Mr. Sharad Kumar Khaitan was appointed as the Chief Financial Officer (CFO) of the Company with effect from July 10, 2023.
3. Tega McNally Minerals Limited (erstwhile McNally Sayaji Engineering Limited), wholly owned material subsidiary of the Company has divested its entire investment in its subsidiary, MBE Coal & Mineral Technology India Pvt. Ltd.
4. Tega Industries Chile SpA, a material subsidiary of the Company, has incorporated a new subsidiary, Tega Industries Peru SAC.
5. Edoctum Peru S.A.C., step-down subsidiary of Tega Industries Chile SpA, a material subsidiary of the Company, has been dissolved.
6. Name of "MCNALLY SAYAJI ENGINEERING LIMITED", a wholly owned material subsidiary of the Company has been changed to "TEGA MCNALLY MINERALS LIMITED".
7. Minimum Public Shareholding has been successfully achieved through the sale of 27,24,950 equity shares having face value of Rs. 10/- each by the Promoters of the Company.
8. Pursuant to NCLT Order dated June 14, 2023, Marudhar Food & Credit Limited (MFCL) has merged into Nihal Fiscal Services Private Limited (NF SPL), post which the entire shareholding of MFCL in the Company stands transferred to NF SPL.

**Sd/-**

**Sweety Kapoor**

Practising Company Secretary  
Membership No. FCS 6410, CP No. 5738  
UIN: I2003WB399800

Place: Kolkata

PRCN: 660/2020

Date: May 23, 2024

UDIN: F006410F000426159

This report is to be read with our letter of even date which is annexed as Annexure- A and forms an integral part of this report.

## Annexure - A

To

**The Members**

**Tega Industries Limited**

Godrej Waterside, Tower-II,  
Block DP-5, Office No. - 807, 8<sup>th</sup> Floor  
Salt Lake Sector V, Bidhannagar  
Kolkata - 700091, West Bengal

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. My audit was based on examination of books and records maintained by the Company.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though I have relied to a certain extent on the information furnished in such returns.
5. Whenever required, I have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management. My examination was limited to the verification of procedures on test and sample basis.
7. The 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.

**Sd/-**

**Sweety Kapoor**

Practising Company Secretary  
Membership No. FCS 6410, CP No. 5738  
UIN: I2003WB399800

Place: Kolkata  
Date: May 23, 2024

PRCN: 660/2020  
UDIN: F006410F000426159



**Form No. MR-3****SECRETARIAL AUDIT REPORT OF THE MATERIAL SUBSIDIARY OF THE COMPANY**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**For the Financial Year Ended March 31, 2024**

To

**The Members****TEGA MCNALLY MINERALS LIMITED**

(Formerly known as McNally Sayaji Engineering Limited)

CIN: U28999WB1943PLC133247

Godrej Waterside, Tower-II, 16<sup>th</sup> Floor, Block DP-5,

Office Space No. 1606B, Salt Lake, Sector-V,

Bidhannagar, Sech Bhawan,

North 24 Parganas-700091

I, Manisha Saraf, Practising Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TEGA MCNALLY MINERALS LIMITED** (hereinafter called 'the Company') for the Financial Year ended March 31, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, registers, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2024, to the extent applicable, according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

- (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (**^Not applicable as there was no reportable event during the financial year under review**);
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**^Not applicable as there was no reportable event during the financial year under review**);
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**^Not applicable as there was no reportable event during the financial year under review**);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2011; (**^Not applicable as there was no reportable event during the financial year under review**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2011; (**^Not applicable as there was no reportable event during the financial year under review**);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**^Not applicable as there was no reportable event during the financial year under review**);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2011; (**^Not applicable as there was no reportable event during the financial year under review**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (**^Not applicable as there was no reportable event during the financial year under review**);

*^The Equity Shares of the Company were deemed to be delisted from the stock exchange w.e.f. March 29, 2023 pursuant to implementation of the Resolution Plan as approved by The Hon'ble National Company Law Tribunal ("**NCLT**"), Kolkata Bench vide order date February 24, 2023. The exchange, through its letter dated April 11, 2023, announced the discontinuation of trading and delisting of equity shares of the Company w.e.f. April 13, 2023.*

(vi) Management has identified and confirmed the following laws as being specifically applicable to the Company:

- (a) Environment (Protection) Act, 1986;
- (b) The Water (Prevention and Control of Pollution) Act, 1974;
- (c) The Air (Prevention and Control of Pollution) Act, 1981;
- (d) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
- (e) The Factories Act, 1948;
- (f) The Industrial Disputes Act, 1947;
- (g) The Payment of Wages Act, 1936 and Minimum Wages Act, 1948;
- (h) The Contract Labour (Regulation and Abolition) Act, 1970;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under above mentioned applicable Acts and Laws to the Company.

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

- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India – The Company has generally complied with Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- (b) The Listing agreement entered into by the Company with Metropolitan Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. ***(The equity shares of the Company were deemed to be delisted from the stock exchange w.e.f. March 29, 2023, pursuant to the implementation of the Resolution Plan as approved by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide order dated February 24, 2023. The exchange, through its letter dated April 11, 2023, confirmed the discontinuation of trading and delisting of the equity shares of the Company w.e.f. April 13, 2023).***

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

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

#### I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at a shorter notice with the consent of Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All the decisions of the Board and Committees thereof were carried through with requisite majority.

I further report that based on the compliance mechanism established by the Company, I am of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period except for the following events, there was no event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

- a) The Company has applied for a name change to align its name with its holding company, Tega Industries Limited. The Ministry of Corporate Affairs has approved the name change and issued the Certificate of Incorporation pursuant to the change of name on October 06, 2023.
- b) The Company further altered the object clause in its Memorandum to align its business with that of its holding company, Tega Industries Limited.
- c) The Company has adopted new Articles of Association in accordance with the applicable provisions of the Companies Act, 2013.

*This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.*

**For Manisha Saraf & Associates**  
Practising Company Secretary

Sd/-

**Manisha Saraf**

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

Place: Kolkata

Peer Review Certificate No.: 2044/2022

Date: May 22, 2024

UDIN: F007607F000422725

## **ANNEXURE-I**

To

**The Members**

**TEGA MCNALLY MINERALS LIMITED**

(Formerly known as McNally Sayaji Engineering Limited)

CIN: U28999WB1943PLC133247

Godrej Waterside, Tower-II, 16<sup>th</sup> Floor, Block DP-5,

Office Space No. 1606B, Salt Lake, Sector-V,

Bidhannagar, Sech Bhawan,

North 24 Parganas-700091

My report of even date is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The 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 Manisha Saraf & Associates**

Practising Company Secretary

**Manisha Saraf**

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

Peer Review Certificate No.: 2044/2022

UDIN: F007607F000422725

Place: Kolkata

Date: May 22, 2024

# FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures under section 129(3) read with rule 5 of the Companies (Accounts) Rules, 2014

## Part "A": Subsidiaries

Sl. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
1.	Tega Holdings Pte. Limited	01-Dec-10	01-04-2023	31-03-2024	SGD	617350	4,981.63	-714.24	5,827.30	1,359.92	3,473.27	812.56	220.30	12.49	207.81	-	100%	Singapore
2.	Tega Industries Canada Inc.	27-Aug-07	01-04-2023	31-03-2024	CAD	612675	3.06	164.05	269.33	102.22	-	1,105.49	103.38	2777	75.61	-	100%	Canada
3.	Tega Industries Australia Pty Limited	11-Jun-02	01-04-2023	31-03-2024	AUD	541125	4.60	107.52	144.03	31.91	-	370.94	22.47	7.68	14.79	-	100%	Australia
4.	Tega Do Brasil Servicos Technicos Ltda	04-Apr-08	01-04-2023	31-03-2024	BRL	16.6127	7.48	-4.65	6.11	3.27	-	43.32	1.39	0.27	1.12	-	99.99%	Brazil
5.	Tega Holdings Pty Limited	03-Dec-10	01-04-2023	31-03-2024	AUD	541125	0.27	298.69	775.47	476.51	751.03	-	-311.0	-9.31	-21.79	-	100%	Australia
6.	Tega Industries Africa Pty Limited	12-May-06	01-04-2023	31-03-2024	ZAR	4.3700	0.00	864.68	1,262.68	390.00	-	1,088.55	120.52	3515	85.37	-	100%	South Africa
7.	Tega Investments South Africa Pty Limited	19-Apr-06	01-04-2023	31-03-2024	ZAR	4.3700	9.29	3112	41.06	0.65	40.72	-	-0.38	-	-0.38	-	100%	South Africa
8.	Tega Industries Inc. Chile Spa and its subsidiaries	27-Nov-01 03-Feb-11	01-04-2023 01-04-2023	31-03-2024 31-03-2024	USD CLP	83.4050 0.0850	16.68 2,445.09	213.34 -184.68	270.55 3,054.25	40.53 1,793.84	-	286.70 3,833.03	16.47 344.92	3.64 7708	12.83 267.84	-	100% 100%	USA Chile
10.	Losgen Pty Limited	21-Dec-10	01-04-2023	31-03-2024	AUD	541125	0.00	266.30	379.53	113.23	-	767.63	9747	30.47	6700	-	100%	Australia
11.	Tega McNally Minerals Limited (formerly known as McNally Savaji Engineering Limited)	24-Feb-23	01-04-2023	31-03-2024	INR	1.0000	656.69	1,326.09	3,892.15	1,999.37	-	2,080.53	4.64	0.29	4.35	-	100%	India

### Note:

- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2024.
- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the current reporting year: During the year under review, Edoctum Peru S.A.C., step down Subsidiary of Tega Industries Chile Spa was dissolved w.e.f. January 20, 2024 and Tega Industries Peru S.A.C. a Subsidiary of Tega Industries Chile Spa was incorporated w.e.f. January 23, 2024.

## Part "B": Associates and Joint Ventures

Sl. No.	Name of the Joint venture	Latest audited Balance sheet date	Date on which joint venture was associated	Reporting Currency	No. of shares held by the company in the joint venture on the year end	Amount of investment in joint venture INR (in Million)	Reserves and Surplus INR (in Million)	Extend of holding	Description of how there is significant influence	Reason why the joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Share of profit/loss for the year	Not Considered in consolidation
1.	Hosch Equipment (India) Limited	31-03-2024	29-May-10	INR	1,12,500	150.07	369.30	50%	Controls more than 20% of the total share capital and has significant influence over operational and financial decision making	-	195.77	44.32	44.32

Note: The Company does not have any Associate Company for the year ended as on 31.03.2024.



# Independent Auditor's Report

To  
The Members of  
**Tega Industries Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

- We have audited the accompanying Standalone Financial Statements of Tega Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

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

#### Key audit matter

#### Assessment of carrying value of equity investments in Tega Holdings Pte Limited, a wholly owned subsidiary

(Refer to Note 2.6 "Investments in Subsidiaries and Joint Venture", Note 2A (ii) "Critical estimates and judgements - Impairment of Investments in Subsidiaries" and Note 4 "Investment in subsidiaries and joint venture", to the Standalone Financial Statements)

The Company carries equity investments in subsidiaries at cost less impairment losses, if any. For these investments carried at cost, where there is an indication of impairment to the carrying value, the Company performs impairment assessment in accordance with Ind AS 36 'Impairment of Assets' and recognises impairment provision, if required, to bring the carrying value to its recoverable amount.

#### How our audit addressed the key audit matter

Our audit procedures included the following:

- Understanding and evaluating the design and testing the operating effectiveness of internal controls over the impairment assessment;
- Evaluating the Company's accounting policy in respect of impairment assessment of investments in subsidiaries;
- Perusing the report issued by the external valuation experts engaged by the management and conducting enquiries with them to understand the assumptions considered by them;
- Evaluating the independence, competence and capability of the valuation experts engaged by the management;

**Key audit matter**

The Company's equity investments in subsidiaries as at March 31, 2024 includes investments in the above mentioned wholly-owned subsidiary aggregating to ₹ 4,504.18 million. The management has carried out impairment assessment in view of the subsidiary's net-worth being less than the carrying amount of the investment. For assessing the recoverable amount using the Discounted Cash Flow (DCF) Model, the Company's management has engaged independent valuation experts and based on their assessment, no provision for impairment to the carrying value of this investment was considered necessary.

We considered this as a key audit matter because of the significant carrying value of the above-mentioned investment and estimation uncertainty in assumptions used in assessing future cashflows, such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain.

**How our audit addressed the key audit matter**

- e) Assessing the assumptions underlying the cash flow projections and assumptions used in the DCF model and evaluating the mathematical accuracy;
- f) Together with auditor's valuation experts, testing the appropriateness of the DCF model and key assumptions therein and performing sensitivity analysis over key assumptions to corroborate the recoverable amount of the investments;
- g) Assessing adequacy and appropriateness of the presentation and disclosures in the Standalone Financial Statements.

Based on the above procedures performed, the management's impairment assessment of the investments in the subsidiary was considered to be reasonable.

**Other Information**

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report and Director's Report along with its Annexures, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Responsibilities of management and those charged with governance for the Standalone Financial Statements**

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

- could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made

to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- (g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 43A to the Standalone Financial Statements;
  - ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 50(j) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief,

as disclosed in the Note 50(k) to the Standalone Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
  - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner

Kolkata  
May 23, 2024

Membership Number: 058507  
UDIN: 24058507BKGYKE1565



# Annexure A

to the Independent Auditor's Report

**Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Tega Industries Limited on the Standalone Financial Statements as of and for the year ended March 31, 2024**

## Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Standalone Financial Statements of Tega Industries Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

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

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

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

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**

Partner

Kolkata  
May 23, 2024

Membership Number: 058507  
UDIN: 24058507BKGYKE1565

# Annexure B

to the Independent Auditor's Report

## Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Tega Industries Limited on the Standalone Financial Statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties [other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, except for the five lease agreements (Refer Note 3(b)(i) to the Standalone Financial Statements)], as disclosed in Note 3(a) on Property, Plant and Equipment to the Standalone Financial Statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right-of-Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore

the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements does not arise.

- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. The Company has not filed quarterly returns or statements for the quarter ended March 31, 2024 with such banks, as the same is not yet due and accordingly, the question of our commenting on whether these returns or statements are in agreement with the unaudited books of account of the Company does not arise. (Also refer Note 48 to the Standalone Financial Statements).
- iii. (a) The Company has, during the year, made investments in thirty seven mutual fund schemes. The Company has not granted secured/ unsecured loans/ advances in the nature of loans, or stood guarantee, or provided security to any Company/ Firm/ Limited Liability Partnership/other party during the year other than unsecured loans to three employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans granted to the aforesaid employees are as per the table given below:

	Loans (₹ in million)
Aggregate amount granted/ provided during the year	
- Others (Employees)	0.32
Balance outstanding as at balance sheet date in respect of the above case	
- Others (Employees)	0.12

(Also refer Note 13(b) on loans to the Standalone Financial Statements)

- (b) In respect of the aforesaid investments and loans to employees (which are interest free), the terms and conditions under which such investments were made and loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the loan (other than loan to employees), the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable. In respect of the loans to employees, the schedule of repayment of principal amount has been stipulated, and the employees are repaying the principal amount as stipulated in a regular manner. Payment of interest is not applicable as these employee loans are interest free in nature.
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) There were no loans/ advance in the nature of loans which were granted during the year, that were repayable on demand or without specifying any terms or period of repayment. No amount of loans/advance in the nature of loans were granted to the promoters/ related parties.
- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, except for dues in respect of labour welfare fund, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of provident fund, employees' state insurance, sales tax, cess and goods and services tax, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)*	Amount paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
Central Excise Act, 1994	Excise Duty	9.51	9.72	2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	0.92	0.38	2007-08, 2013-14	Customs, Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	28.15	-	AY 2003-04,	Commissioner of Income Tax (Appeals)
		19.63	-	AY 2016-17, AY 2017-18,	
		-	-	AY 2018-19	Income Tax Appellate Tribunal
West Bengal Value Added Tax Act, 2003	Value Added Tax	0.41	-	2013-14	Deputy Commissioner of Commercial Tax
		3.74	0.21	2016-17	West Bengal Tax Tribunal
Customs Act, 1962	Custom Duty	3.06	-	2016-17, 2017-18, 2018-19	Commissioner of Customs (Appeals)
The West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	30.03	-	2013-14 to 2017-18	High Court at Kolkata

\*Net of amount paid under Protest



- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans during the year ended March 31, 2024 and there was no unutilised balance of term loan obtained in earlier years as on April 1, 2023. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures. The Company did not have any associate company during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures. The Company did not have any associate company during the year.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner

Kolkata  
May 23, 2024

Membership Number: 058507  
UDIN: 24058507BKGYKE1565

# Standalone Balance Sheet

as at 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	As at	
		31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	1,387.74	1,249.88
Right-of-Use Assets	3(b)	294.13	306.25
Capital work in progress	3(c)	67.97	83.33
Intangible assets	3(d)	32.07	1.90
Intangible assets under development	3(e)	1.86	-
<b>Financial assets</b>			
(i) Investment in subsidiaries and joint venture	4	5,324.17	5,324.17
(ii) Loans	13(a)	196.00	193.10
(iii) Other financial assets	5	37.01	68.30
Current tax assets (net)	6	78.47	119.77
Other non-current assets	7	9.84	22.43
<b>Total non-current assets</b>		<b>7,429.26</b>	<b>7,369.13</b>
<b>Current assets</b>			
Inventories	8	2,076.26	1,484.86
<b>Financial assets</b>			
(i) Investments	9	2,312.91	1,890.05
(ii) Trade receivables	10(a)	2,338.60	2,054.53
(iii) Cash and cash equivalents	11	37.71	42.11
(iv) Other bank balances	12	2.77	7.33
(v) Loans	13(b)	0.12	0.58
(vi) Other financial assets	14	55.40	91.21
Contract assets	10(b)	9.94	35.31
Other current assets	15	280.70	206.40
<b>Total current assets</b>		<b>7,114.41</b>	<b>5,812.38</b>
<b>Total assets</b>		<b>14,543.67</b>	<b>13,181.51</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	665.35	663.54
Other equity	18	10,789.81	9,646.57
<b>Total equity</b>		<b>11,455.16</b>	<b>10,310.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	19	180.09	389.84
(ii) Lease liabilities	3(b)	3.22	7.90
(iii) Other financial liabilities	20	9.49	24.25
Deferred tax liabilities (net)	21	0.74	0.52
<b>Total non-current liabilities</b>		<b>193.54</b>	<b>422.51</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	22	1,066.43	1,191.50
(ii) Lease Liabilities	3(b)	6.17	8.40
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	23	102.06	60.02
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	719.98	548.95
(iv) Other financial liabilities	24	170.64	131.64
Provisions	25	89.69	108.15
Current tax liabilities (net)	26	43.56	79.71
Other current liabilities	27	696.44	320.52
<b>Total current liabilities</b>		<b>2,894.97</b>	<b>2,448.89</b>
<b>Total liabilities</b>		<b>3,088.51</b>	<b>2,871.40</b>
<b>Total equity and liabilities</b>		<b>14,543.67</b>	<b>13,181.51</b>

This is the Standalone Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

The accompanying notes are an integral part of this standalone financial statements

For and on behalf of Board of Directors

**Madan Mohan Mohanka**  
Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**  
Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**  
Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**  
Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024

# Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	28	7,368.40	7,151.31
Other income	29	289.80	249.66
<b>Total income</b>		<b>7,658.20</b>	<b>7,400.97</b>
<b>Expenses</b>			
Cost of materials consumed	30	3,421.37	3,184.47
Changes in inventories of finished goods and work-in-progress	31	(323.07)	33.62
Employee benefits expense	32	787.85	668.99
Finance costs	33	106.86	98.84
Depreciation and amortisation expenses	34	200.23	183.20
Other expenses	35	1,827.18	1,735.84
<b>Total expenses</b>		<b>6,020.42</b>	<b>5,904.96</b>
<b>Profit before tax</b>		<b>1,637.78</b>	<b>1,496.01</b>
Income tax expense			
Current tax	36	375.03	379.93
Deferred tax	36	(2.26)	(22.12)
<b>Total tax expense</b>		<b>372.77</b>	<b>357.81</b>
<b>Profit for the year (A)</b>		<b>1,265.01</b>	<b>1,138.20</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement gain/ (loss) on post employment defined benefit plans	32.1	2.13	(4.96)
(b) Income tax related to the above	36	(0.54)	1.25
<i>Items that will be reclassified to profit or loss</i>			
(a) Fair value changes of cash flow hedges	39(iv)	7.70	-
(b) Income tax related to the above	36	(1.94)	-
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>7.35</b>	<b>(3.71)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>1,272.36</b>	<b>1,134.49</b>
Earnings per equity share: (Nominal value per share ₹ 10/-)			
Basic (in ₹)	40	19.04	17.17
Diluted (in ₹)	40	18.98	17.08

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

The accompanying notes are an integral part of this standalone financial statements

For and on behalf of Board of Directors

**Madan Mohan Mohanka**  
Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**  
Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**  
Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**  
Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024



# Standalone Statement of Changes in Equity

for the year ended 31 March 2024

## A. Equity share capital

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Amount
<b>As at 1 April 2022</b>		<b>662.93</b>
Changes during the year		
Exercise of options - proceeds received	16	0.61
<b>As at 31 March 2023</b>		<b>663.54</b>
Changes during the year		
Exercise of options - proceeds received	16	1.81
<b>As at 31 March 2024</b>		<b>665.35</b>

## B. Other equity

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Reserve and surplus				Other reserves	Total other equity
		Securities Premium	General reserve	Retained earnings	Share options outstanding account	Cash flow hedge reserve	
<b>Balance as at 01 April 2023</b>	18	<b>903.79</b>	<b>337.98</b>	<b>8,404.38</b>	<b>0.42</b>	-	<b>9,646.57</b>
Exercise of options - proceeds received	46	3.78	-	-	-	-	3.78
Transfer within equity - exercise of options	46	0.19	-	-	(0.19)	-	-
Profit for the year		-	-	1,265.01	-	-	1,265.01
Other comprehensive income [net of tax]		-	-	1.59	-	5.76	7.35
<b>Transaction with owners in their capacity as owners</b>							
Dividend paid	41(b)	-	-	(132.90)	-	-	(132.90)
<b>Balance as at 31 March 2024</b>		<b>907.76</b>	<b>337.98</b>	<b>9,538.08</b>	<b>0.23</b>	<b>5.76</b>	<b>10,789.81</b>

# Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Reserve and surplus				Other reserves	Total other equity
		Securities Premium	General reserve	Retained earnings	Share options outstanding account	Cash flow hedge reserve	
<b>Balance as at 1 April 2022</b>	18	<b>902.10</b>	<b>337.98</b>	<b>7,269.89</b>	<b>0.48</b>	-	<b>8,510.45</b>
Exercise of options - proceeds received	46	1.63	-	-	-	-	1.63
Transfer within equity - exercise of options	46	0.06	-	-	(0.06)	-	-
Profit for the year		-	-	1,138.20	-	-	1,138.20
Other comprehensive income [net of tax]		-	-	(3.71)	-	-	(3.71)
<b>Transaction with owners in their capacity as owners</b>							
Dividend paid	41(b)	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>		<b>903.79</b>	<b>337.98</b>	<b>8,404.38</b>	<b>0.42</b>	-	<b>9,646.57</b>

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

The accompanying notes are an integral part of this standalone financial statements

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

For and on behalf of Board of Directors

## **Amitesh Dutta**

Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

## **Madan Mohan Mohanka**

Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

## **Mehul Mohanka**

Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

## **Manjuree Rai**

Company Secretary  
Place: Kolkata  
Date: 23 May 2024

## **Sharad Kumar Khaitan**

Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024

# Standalone Statement of Cash Flows

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	1,637.78	1,496.01
Adjustments for:		
Depreciation and amortisation expenses	200.23	183.20
Finance costs	106.56	97.53
Interest income	(34.73)	(12.22)
Allowance for expected credit loss (including bad debt and advances written off)	40.26	65.71
Claims/ liquidating damages	(0.07)	2.13
Net fair value (gain)/ loss on investments classified at FVTPL	(145.51)	2.23
Net (gain) on sale of investments classified at FVTPL	(23.17)	(95.00)
Gain on sale of investments in subsidiary	-	(13.51)
Mark to Market (gain)/ loss on derivative instrument (net)	30.39	(50.77)
Derivative settlement (net)	(31.20)	(6.96)
(Gain)/ loss on sale of property, plant and equipment including intangible assets (net of loss on assets scrapped/ written off)	2.19	(0.19)
Dividend income	(11.25)	(5.63)
Provision for warranty expenses	15.97	12.68
Provision for slow moving/ non- moving and obsolete inventories	11.40	32.64
Other non cash items	(4.30)	(0.26)
Effect of unrealised exchange differences (net)	(35.82)	14.68
<b>Operating profit before working capital changes</b>	<b>1,758.73</b>	<b>1,722.27</b>
<b>Changes in Working Capital:</b>		
(Increase)/ decrease in Non Current/ Current financial and other assets	(345.28)	52.28
(Increase)/ decrease in Inventories	(602.80)	162.00
Increase/ (decrease) in Non Current/ Current financial and other liabilities/ provisions	594.02	(174.48)
<b>Cash Generated from Operations</b>	<b>1,404.67</b>	<b>1,762.07</b>
Income taxes paid (net of refund)	(354.51)	(323.64)
<b>Net cash generated from operating activities</b>	<b>1,050.16</b>	<b>1,438.43</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of capital assets	(327.63)	(344.88)
Sale of capital assets	4.07	5.10
Purchase of investments in subsidiaries	-	(656.12)
Proceeds from sale of investments in subsidiary	-	15.84
Loan given to a subsidiary	-	(182.55)
Payment for purchase of investments	(2,482.50)	(2,022.94)
Proceeds from sale of investments	2,231.35	1,966.66
Deposits with banks placed	(2.50)	(170.20)
Deposits with banks matured	7.72	170.20
Interest received	15.44	21.87
Dividend received from joint venture	11.25	5.63
<b>Net cash (used in) investing activities</b>	<b>(542.80)</b>	<b>(1,191.39)</b>

# Standalone Statement of Cash Flows

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>C. Cash flow from Financing Activities</b>		
Proceeds from issue of equity shares	5.59	2.24
Proceeds from long term borrowings	-	11.38
Repayment of long term borrowings	(188.70)	(201.68)
Proceeds from/ (repayment of) short term borrowings (net)	(110.15)	44.12
Derivative settlement (net)	31.20	6.96
Finance cost paid	(108.23)	(88.01)
Finance cost paid on account of lease liabilities	(1.11)	(2.46)
Repayment of lease liabilities	(6.91)	(9.14)
Dividend Paid to equity shareholders	(132.90)	-
<b>Net cash (used in) financing activities</b>	<b>(511.21)</b>	<b>(236.59)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(3.85)</b>	<b>10.45</b>
Cash and cash equivalents at the beginning of the year (Refer Note 11)	42.11	29.39
Effects of exchange rate changes on cash and cash equivalents	(0.55)	2.27
<b>Cash and cash equivalents at the end of the year (Refer Note 11)</b>	<b>37.71</b>	<b>42.11</b>

## Notes:

- The above standalone statement of cash flow has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".
- During the year non-cash transaction from Investing and Financing Activities with respect to acquisition of Right-of-Use Assets with corresponding adjustments to Lease Liabilities Nil (31 March 2023: ₹ 31.78 Mn).

This is the Standalone Statement of Cash Flows referred to in our report of even date.

The accompanying notes are an integral part of this standalone financial statements

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

For and on behalf of Board of Directors

### Amitesh Dutta

Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

### Madan Mohan Mohanka

Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

### Mehul Mohanka

Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

### Manjuree Rai

Company Secretary  
Place: Kolkata  
Date: 23 May 2024

### Sharad Kumar Khaitan

Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

## 1. Company Information

Tega Industries Limited ("Tega" or "Company") is a public limited company incorporated in India with its registered office at Godrej Waterside, Tower-II, Office No. 807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata – 700 091 West Bengal, India and engaged in the business of manufacturing and distribution of specialized 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining and bulk solids handling industry. It was promoted by Mohanka Family in 1976 in technical and financial collaboration with Skega AB, Sweden.

The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The standalone financial statements as at 31 March 2024 present the financial position of the Company.

The standalone financial statements for the year ended 31 March 2024 were approved by the Board of Directors and authorised for issue on 23 May 2024.

## 2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of Preparation

#### (i) Compliance with Ind AS

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

#### (ii) Historical Cost Convention

The standalone financial statements have been prepared as going concern on accrual basis and under the historical cost convention except for the following assets and liabilities which have been measured at fair value or revalued amount:

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);

- defined benefit plans – plan assets measured at fair value;
- share-based payments

#### (iii) Current versus Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Indian Accounting Standards (Ind AS) and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### (iv) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

### 2.2 Use of Estimates

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Estimates are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

## 2.3 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment measured at the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

### Depreciation

- i) Depreciation is calculated using a straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as specified by Schedule II to the Act, wherever applicable. The estimated useful lives of the property, plant and equipment have been presented below:

Class of Assets	Estimated useful life (in years)
Buildings	30 - 60 years
Plant and equipments*	3 - 15 years
Furniture and fixtures	10 years
Vehicles	5-8 years
Office equipments	5 years
Electrical installations	10 years

\*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Company believes that the useful lives as given above best represent the year over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

- ii) Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The assets' residual values and useful lives are reviewed by the management, and adjusted if appropriate, at the end of each reporting period.

## 2.4 Intangible assets

Intangible assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment, if any. Costs associated with maintaining software programs are recognized as an expense as incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible assets measured at the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### Amortisation

The company amortises computer software using straight-line method over the following period:

Class of Assets	Estimated useful life (in years)
Software	3 Years

### Research and Development Expenditure

Research expenditure and development expenditure that do not meet the criterias mentioned below are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Property, plant and equipment used in Research and Development are capitalised.

Development costs are recognized as intangible assets when the following criteria are met:

1. it is technically feasible to complete the intangible asset so that it will be available for use
2. management intends to complete the intangible asset and use or sell it
3. there is an ability to use or sell the intangible asset

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

4. it can be demonstrated how the intangible asset will generate probable future economic benefits
5. adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available, and
6. the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

## 2.5 Impairment

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

## 2.6 Investments in subsidiaries and joint venture

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately

to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

## 2.7 Financial Instruments

The financial assets are classified in the following categories:

- (i) financial assets measured at amortised cost,
- (ii) financial assets measured at fair value through profit or loss (FVTPL), and
- (iii) financial assets at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow. For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss and other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Regular purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

### Investment in debt instruments

Subsequent measurement of debt instruments depends on the Company's model of managing the assets and the cash flow characteristics of the asset. There are three measurement categories in which the Company classifies its debt instruments.

### Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets are included in Other Income using the effective interest rate method. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

rate method. Any gain or loss arising on derecognition is recognized directly in the statement of profit and loss and presented in other gains/(losses). The losses arising from impairment are recognized in the statement of profit and loss.

## Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in the statement of profit and loss.

## Financial assets measured at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss in the period in which it arises. Interest income from these financial assets are included in other income.

Investments in units of mutual funds are subsequently measured at FVTPL and the changes in fair value are recognized in the statement of profit and loss.

## De-recognition of financial asset

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a

contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

## Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

## Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing component. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

## Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments, if any, with original maturities of three months or less that are readily convertible to known amount of cash and subject to an insignificant change in value.



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

## Financial Liabilities

### Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit and loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### Trade and other payables

Trade and other payables represent current liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amount are unsecured and are usually paid within 30-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

### De-recognition of financial liabilities

A financial liability (or a part of financial liability) is de-recognized from Company's balance sheet when obligation specified in the contract is discharged, or cancelled, or expired.

## Derivative Instruments and hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. The Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps and options.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Net mark to market gains/ losses on derivatives taken by the Company are recorded in other income/ expenses respectively.

The Company adopts hedge accounting for forward foreign exchange contracts wherever possible. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognized immediately in the statement of profit and loss.

### When hedge accounting is applied:

- for fair value hedges of recognized assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognized in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognized directly in other comprehensive income and the ineffective portion is recognized in the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognized, the associated gains or losses on the derivative that had previously been recognized in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

are recognized in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in equity is transferred to the statement of profit and loss for the period.

## 2.8 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

## 2.9 Inventories

Inventories are valued at lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labours and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted-average cost method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.10 Revenue Recognition

Revenue shall be recognized 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 and services.

### Sale of goods

Sales are recognized when control of the products has been transferred to the buyer, being when the products are dispatched/ delivered to the customer depending on the contract terms. This occurs when the products have been shipped or delivered to the specific location as the case may be,

the risk of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance has been satisfied. Revenue from contract with customers is primarily recorded at a point in time. Revenue is recognized based on the price specified in the contract.

No element of financing is deemed present as the sales are generally made with a credit term upto 180 days which is consistent with market practice.

### Sale of services

Revenue from service contracts are recognized in the accounting period in which the services are rendered.

Some contracts include multiple performance obligations, such as sale of product and certain related services. However, the services are simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on the expected cost plus margin. If contracts include the installation of product, revenue for the product is recognized at a point in time when the product is delivered, the legal title has passed and the customer has accepted the product.

A receivable is recognized when the goods are dispatched or delivered, depending on the contract terms, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract asset is recognized in respect of those performance obligations where the control of the goods has been transferred to the buyer, and only delivery of the goods is pending. In these cases the consideration is due after the shipping obligation is complete, accordingly these are classified as contract assets as the consideration is conditional on something other than passage of time.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company generally provides for warranties which are assurance-type warranties under Ind AS 115, and are accounted for under In AS 37 Provisions, Contingent Liabilities and Contingent Assets.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

## 2.11 Other Income

**Interest:** Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and recognized in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Dividend:** Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognized as other income in the statement of profit and loss when the right to receive payment is established.

## 2.12 Government Grants

- (i) Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- (ii) Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

## 2.13 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

## 2.14 Foreign Currencies Translation

### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Tega Industries Limited's functional and presentation currency.

**Initial Recognition:** On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent Recognition:** Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

## 2.15 Employee Benefits

### a) Short-term Employee Benefits:

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

### b) Defined contribution plans

#### Provident Fund

This is a defined contribution plan for certain employees and contributions are remitted to Provident Fund authorities in accordance with relevant statute and charged to the statement of profit and loss in the period in which the related employee services are rendered. The Company has no further obligations for future Provident Fund benefits other than its monthly contributions.

#### Superannuation Fund

This is a defined contribution plan. The Company contributes a certain percentage of the eligible

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

salary for employees covered under the scheme towards superannuation fund administered by the Trustees. The Company has no further obligations for future superannuation benefits other than its contributions and recognizes such contributions as expense in the period in which the related employee services are rendered.

## c) Defined benefit plans

### Gratuity

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

## d) Other long-term employee benefits:

### Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognized in the statement of profit and loss in the year in which they arise.

## e) Share based payments

Share-based compensation benefits are provided to employees via the Tega Industries Limited Employee Stock Option Scheme namely ESOP Scheme 2011. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.16 Current and Deferred Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.17 Provision and Contingent Liabilities

The Company recognises a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. However, provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

## Provision for warranty

The estimated liability for warranty is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence based on corrective actions on product failure.

## 2.18 Earnings per Share

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The executive committee (which consist of Chairman, Managing Director & Chief Executive Officer, Head Product Management Group and Global Marketing, Head Global Operations, Head Global Finance (Chief Financial Officer), Head Human Resource and Company Secretary) has been identified as the chief operating decision maker ('CODM') (Refer note 42).

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

## 2.20 Leases

### The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentive received, any initial direct costs and restoration costs.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

Lease liability is measured at the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and

- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Tega Industries Limited, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as a starting point to determine the incremental borrowing rate. The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognized in the statement of profit and loss in the period in which the condition that triggers those payments occurs.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

Payment made towards leases for which non-cancellable term is 12 months or lesser (short-term leases) and low value leases are recognized in the statement of profit and loss as rental expenses over the tenor of such leases.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

## 2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 2A Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement 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.

### (i) Estimation of defined benefit obligation - Note 32.1

The estimate requires the Company to make assumptions regarding variable such as discount rate and salary growth rate. Change in these key assumptions can have significant impact on the defined benefit obligation.

### (ii) Impairment of investments in subsidiaries - Note 4

Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management estimates the future cash flows, operating margins, growth rates, discount rates of the underlying business/ operations of the subsidiaries to determine the value using the discounted cash flow model.

### (iii) Impairment of property, plant and equipment and intangible assets - Note 2.5, 3(a) and 3(d)

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value which involve estimates and judgements.

### (iv) Useful lives of property, plant and equipment and intangible assets - Note 2.3, 3(a) and 3(d)

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. Uncertainties in these estimates relates to technical and economic obsolescence that may change the useful life of property, plant and equipment and intangible assets. This reassessment may result in change in depreciation and amortisation expense in future periods.

### (v) Fair value measurements of financial instruments - Note 38

This includes financial assets and liabilities, measured using inputs other than quoted prices that are observable for assets and liability, either directly as prices or indirectly derived from prices which involves estimates and judgements. This majorly includes derivative contracts.

### (vi) Expected credit loss for trade receivables

Refer note 2.7, 10(a) and 39A(i) for details of critical estimates in expected credit loss for financial instruments carried at amortised cost.

### (vii) Critical judgement in determining the lease term - Note 3(b)

The Company determines the lease term on the basis of termination and renewal options in various lease contracts where the Company applies its judgement.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 3(a) Property, plant and equipment

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 April 2023	Additions during the year	Disposals/ adjustments during the year	As at 31 March 2024	For the year	On disposals/ adjustments during the year	As at 31 March 2024	As at 31 March 2023
<b>Tangible Assets</b>								
(a) Land	60.95	-	-	60.95	-	-	2.61	58.34
(b) Buildings	643.34	21.37	(0.20)	664.51	25.48	(0.05)	180.63	488.14
(c) Plant and Equipment	1,754.94	272.50	(391.4)	1,988.30	139.28	(34.97)	1,234.93	624.32
(d) Furniture and Fixtures	35.41	15.48	-	50.89	6.97	-	34.83	16.06
(e) Vehicles	62.80	12.99	(6.33)	69.46	10.25	(4.39)	27.01	41.65
(f) Office Equipment	40.84	6.83	(0.11)	47.56	2.03	(0.11)	22.17	20.59
(g) Electrical Installation	13.05	-	-	13.05	1.04	-	4.80	8.25
	<b>2,611.33</b>	<b>329.17</b>	<b>(45.78)</b>	<b>2,894.72</b>	<b>185.05</b>	<b>(39.52)</b>	<b>1,506.98</b>	<b>1,387.74</b>

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 April 2022	Additions during the year	Disposals/ adjustments during the year	As at 31 March 2023	For the year	On disposals/ adjustments during the year	As at 31 March 2023	As at 31 March 2022
<b>Tangible Assets</b>								
(a) Land	59.40	1.55	-	60.95	0.36	-	2.61	57.15
(b) Buildings	637.54	5.80	-	643.34	21.84	-	155.20	504.18
(c) Plant and Equipment	1,489.91	293.29	(28.26)	1,754.94	126.38	(25.68)	1,130.62	459.99
(d) Furniture and Fixtures	41.85	0.83	(7.27)	35.41	6.56	(6.81)	27.86	13.74
(e) Vehicles	47.34	25.37	(9.91)	62.80	7.92	(8.06)	21.15	26.05
(f) Office Equipment	38.79	2.27	(0.22)	40.84	1.74	(0.21)	20.25	20.07
(g) Electrical Installation	12.32	0.73	-	13.05	0.99	-	3.76	9.55
	<b>2,327.15</b>	<b>329.84</b>	<b>(45.66)</b>	<b>2,611.33</b>	<b>165.79</b>	<b>(40.76)</b>	<b>1,361.45</b>	<b>1,249.88</b>

### Note:

(i) Refer Note 19 and 22 for Property, plant and equipment pledged as security.

(ii) Contractual obligations

Refer Note 43B (ii) for disclosure of capital commitments for the acquisitions of Property, plant and equipment.

(iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.

(iv) Title deeds of all the immovable properties are held in the name of the Company.



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets

### (a) The Company as a lessee

The Company's significant leasing arrangements include assets dedicated for use under long-term arrangements, lease of land, office space, equipment, vehicles and some IT equipment. Lease of Land have lease term of 60 years, leases of plant and equipment and office equipment have lease terms between 2 to 5 years, while offices and guest houses generally have lease terms between 12 months to 60 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The Company also has certain leases of offices and guest houses with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases. For leases recognized under long term arrangements involving use of a dedicated asset, non-lease components are excluded based on the underlying contractual terms and conditions.

### (b) Amounts recognized in balance sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Right-of-Use Assets</b>		
Land [Refer (i) below]	79.20	80.79
Building	214.60	223.13
Office Equipment	0.33	2.33
<b>Total</b>	<b>294.13</b>	<b>306.25</b>

**Note (i):** Refer Note 19 and 22 for Right-of-Use land pledged as security.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Lease Liabilities</b>		
Current	6.17	8.40
Non-Current	3.22	7.90
<b>Total</b>	<b>9.39</b>	<b>16.30</b>

### (c) Following are the changes in carrying value of right-of-use assets:

Particulars	Right-of-Use Land	Right-of-Use Buildings	Right-of-Use Plant and Equipment	Right-of-Use Office Equipment	Total Right- of-Use Assets
Balance as at 1 April 2023 (At cost)	87.44	234.66	0.54	15.03	337.67
Additions during the year	-	-	-	-	-
Assets disposed/ lease terminated during the year	-	-	(0.54)	-	(0.54)
<b>Balance as at 31 March 2024 (At cost)</b>	<b>87.44</b>	<b>234.66</b>	<b>-</b>	<b>15.03</b>	<b>337.13</b>
<b>Accumulated depreciation as at 1 April 2023</b>	<b>6.65</b>	<b>11.53</b>	<b>0.54</b>	<b>12.70</b>	<b>31.42</b>
Charge for the year *	1.59	8.53	-	2.00	12.12
Assets disposed/ lease terminated during the year	-	-	(0.54)	-	(0.54)
<b>Accumulated depreciation as at 31 March 2024</b>	<b>8.24</b>	<b>20.06</b>	<b>-</b>	<b>14.70</b>	<b>43.00</b>
<b>Carrying amount as at 31 March 2024</b>	<b>79.20</b>	<b>214.60</b>	<b>-</b>	<b>0.33</b>	<b>294.13</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets (Contd..)

Particulars	Right-of-Use Land	Right-of-Use Buildings	Right-of-Use Plant and Equipment	Right-of-Use Office Equipment	Total Right-of-Use Assets
<b>Balance as at 1 April 2022 (At cost)</b>	<b>87.44</b>	<b>221.07</b>	<b>0.54</b>	<b>15.03</b>	<b>324.08</b>
Additions during the year	-	31.78	-	-	31.78
Assets disposed/ lease terminated during the year	-	(18.19)	-	-	(18.19)
<b>Balance as at 31 March 2023 (At cost)</b>	<b>87.44</b>	<b>234.66</b>	<b>0.54</b>	<b>15.03</b>	<b>337.67</b>
<b>Accumulated depreciation as at 1 April 2022</b>	<b>5.04</b>	<b>3.09</b>	<b>0.41</b>	<b>8.78</b>	<b>17.32</b>
Charge for the year #	1.61	10.53	0.13	3.92	16.19
Assets disposed/ lease terminated during the year	-	(2.09)	-	-	(2.09)
<b>Accumulated depreciation as at 31 March 2023</b>	<b>6.65</b>	<b>11.53</b>	<b>0.54</b>	<b>12.70</b>	<b>31.42</b>
<b>Carrying amount as at 31 March 2023</b>	<b>80.79</b>	<b>223.13</b>	<b>-</b>	<b>2.33</b>	<b>306.25</b>

# Included under depreciation and amortisation expenses (Refer Note 34)

### (d) Following are the changes in carrying value of lease liabilities:-

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance	16.30	10.05
Additions during the year	-	31.78
Finance costs during the year	1.11	2.46
Lease terminated during the year	-	(16.39)
Lease payments during the year	(8.02)	(11.60)
<b>Closing balance</b>	<b>9.39</b>	<b>16.30</b>

### (e) Amounts recognized in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation charge of right-of-use assets (Refer Note 34)	12.12	16.19
Interest expense (Refer Note 33)	1.11	2.46
Expenses relating to short-term leases and leases of low-value assets (Refer Note 35)	20.01	12.33
<b>Total</b>	<b>33.24</b>	<b>30.98</b>

(f) The Company had a total cash outflow of ₹ 8.02 Mn for leases for the year ended 31 March 2024 (31 March 2023: ₹ 11.60 Mn).

### (g) Extension and termination options

Extension and termination options are included in the Company's lease contracts. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. In majority of the lease contracts, the extension and termination options held are exercisable by mutual consent of both the lessor and the lessee and in few contracts, the option

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets (Contd..)

to terminate the lease is with lessee only. For determining the lease term of land, plant & machinery, office space and office equipment, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations, the costs and business disruption required to replace the leased asset.

The Company has entered into a long-term lease for an office space which contains further renewal options and only the Company can terminate the lease giving 6 months notice. Considering the above factors, the termination option with the Company and the expected period of use, the lease term has been determined as 60 years which is shorter than the contractual duration.

### (h) Residual value guarantees

There are no residual value guarantees in relation to any lease contracts.

- (i) The Company has entered into 36 months leave and license agreements for five office spaces at various locations. These agreements are pending for registration under the Registration Act, 1908.

## Note 3(c): Capital work in progress

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	83.33	51.66
Addition during the year	164.03	212.01
Capitalisation/ adjustment during the year	(179.39)	(180.34)
<b>Closing balance</b>	<b>67.97</b>	<b>83.33</b>

### Notes:

#### (a) Capital work in progress ageing schedule:

##### (i) As at 31 March 2024

Particulars	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41.11	25.63	0.32	0.91	67.97
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>41.11</b>	<b>25.63</b>	<b>0.32</b>	<b>0.91</b>	<b>67.97</b>

##### (ii) As at 31 March 2023

Particulars	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	81.13	0.95	0.42	0.83	83.33
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>81.13</b>	<b>0.95</b>	<b>0.42</b>	<b>0.83</b>	<b>83.33</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(c): Capital work in progress (Contd..)

### (b) Capital work in progress for which completion is overdue or has exceeded its costs compared to its original plan:

#### (i) As at 31 March 2024

Particulars	To be completed in (as per management estimate)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Automotive Module Industry 4.0	24.01	-	-	-	24.01
Hydraulic Press	6.50	-	-	-	6.50
Factory Shed	4.18	-	-	-	4.18
Quality Check Lab & Office	3.53	-	-	-	3.53
Driver Controller	2.60	-	-	-	2.60
RCC Flooring	2.46	-	-	-	2.46
Others	16.83	-	-	-	16.83
<b>Total</b>	<b>60.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.11</b>

#### (ii) As at 31 March 2023

Particulars	To be completed in (as per management estimate)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CRM Process Transformation	12.00	-	-	-	12.00
Automotive Module Industry 4.0	21.46	-	-	-	21.46
Roof shed life line building	1.38	-	-	-	1.38
Boundary Wall	7.29	-	-	-	7.29
Daylight modification 6000T press	15.62	-	-	-	15.62
Desma Machine	10.61	-	-	-	10.61
Others	1.53	-	-	-	1.53
<b>Total</b>	<b>69.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69.89</b>

## Note: 3(d) Intangible assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April 2023	Additions during the year	Disposals during the year	As at 31 March 2024	As at 1 April 2023	For the year	On disposals during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
<b>Intangible Assets</b>										
Computer Software	29.70	33.23	-	62.93	27.80	3.06	-	30.86	32.07	1.90
<b>Total</b>	<b>29.70</b>	<b>33.23</b>	<b>-</b>	<b>62.93</b>	<b>27.80</b>	<b>3.06</b>	<b>-</b>	<b>30.86</b>	<b>32.07</b>	<b>1.90</b>

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April, 2022	Additions during the year	Disposals during the year	As at 31 March 2023	As at 1 April, 2022	For the year	On disposals during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
<b>Intangible Assets</b>										
Computer Software	29.70	-	-	29.70	26.58	1.22	-	27.80	1.90	3.12
<b>Total</b>	<b>29.70</b>	<b>-</b>	<b>-</b>	<b>29.70</b>	<b>26.58</b>	<b>1.22</b>	<b>-</b>	<b>27.80</b>	<b>1.90</b>	<b>3.12</b>



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(e): Intangible assets under development

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	-	-
Addition during the year	2.32	-
Capitalisation during the year	(0.46)	-
<b>Closing balance</b>	<b>1.86</b>	<b>-</b>

### Notes:

#### (a) Intangible assets under development ageing schedule:

##### (i) As at 31 March 2024

Particulars	Amount of Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.86	-	-	-	1.86
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.86</b>

(ii) There were no intangible assets under development as at 31 March 2023.

#### (b) Intangible assets under development for which completion is overdue or has exceeded its costs compared to its original plan:

##### (i) As at 31 March 2024

Particulars	To be completed in (as per management estimate)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Software Upgradation	1.86	-	-	-	1.86
<b>Total</b>	<b>1.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.86</b>

(ii) There were no intangible assets under development as at 31 March 2023.

## Note: 4 Investment in subsidiaries and joint venture

Particulars	As at 31 March 2024	As at 31 March 2023
<b>A. Investments in Equity Instruments</b>		
<b>Unquoted</b>		
<b>(i) Investment in subsidiaries</b>		
Tega Industries, Inc. 2,000 (31 March 2023: 2,000) fully paid common shares of USD 100 each	9.52	9.52
Tega Industries Australia Pty. Ltd. 85,000 (31 March 2023: 85,000) fully paid ordinary shares of AUD 1 each	2.31	2.31
Tega Industries Canada Inc 50,000 (31 March 2023: 50,000) fully paid common shares of CAD 1 each	1.96	1.96
Tega Do Brasil Servicos Technicos Ltda (Net of impairment: ₹ 10.17 Mn) 450,497 (31 March 2023: 450,497) fully paid common shares of BRL 1 each	-	-
Tega Holdings Pte Limited 100,280 (31 March 2023: 100,280) fully paid ordinary shares of SGD 1 each (Refer Note below)	4,504.18	4,504.18

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 4 Investment in subsidiaries and joint venture (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Tega McNally Minerals Limited (formerly known as McNally Sayaji Engineering Limited) (Refer Note 47) 65,669,077 (31 March 2023: 65,669,077) fully paid equity shares of ₹ 10 each	656.13	656.13
<b>(ii) Investment in Joint Venture</b>		
Hosch Equipment (India) Limited 112,500 (31 March 2023: 112,500) fully paid equity shares of ₹ 10 each	150.07	150.07
<b>Total</b>	<b>5,324.17</b>	<b>5,324.17</b>
Aggregate amount of unquoted investments	5,324.17	5,324.17
Aggregate amount of Impairment in the value of investments	10.17	10.17

### Note:

- (i) As at 31 March 2024 and 31 March 2023, the Company carried out an impairment assessment in view of the subsidiary's net-worth being less than the carrying amount of the investment.

The recoverable value of investments held in Tega Holdings Pte Limited, a wholly owned subsidiary of the Company is, inter alia, dependent on the operational and financial performance of Tega Industries Africa Proprietary Limited, Tega Industries Chile SpA and Losugen Pty Ltd. The recoverable amount is computed using discounted cash flow model with cash flow projections for the next financial year based on management estimates and forecasts for next four years. Cash Flows beyond these periods are extrapolated using estimated growth rates.

The projections are based on both past performance and the expectations of future performance and assumptions therein. The Company estimates discount rates using post-tax rates that reflect the current market rates adjusted to company specific risk relating to the relevant segments and countries in which they operate. The weighted average post-tax discount rates used for discounting the cash flows projections is in the range of 11.00%-17.90% (31 March 2023: 11.00%-18.60%). Beyond the specifically forecasted period, a growth rate of 2.00%-3.00% (31 March 2023: 3.00%) is used to extrapolate the cash flow projections. This rate does not exceed the average long-term growth rate for the relevant markets.

The Company has also conducted sensitivity analysis on the impairment tests including sensitivity in respect of key assumptions being growth rate, discount rates etc. The management believes that no reasonably possible change in any of the key assumptions used in the assessment would cause the carrying value of investments to exceed its recoverable value.

## Note: 5 Other financial assets - non current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good (Unless otherwise stated)</b>		
Security deposits	7.68	8.67
Derivative assets		
Foreign currency options	22.74	46.48
Interest rate swaps	6.59	13.11
<b>Other bank balances</b>		
In deposit account	-	0.04
<b>Total</b>	<b>37.01</b>	<b>68.30</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 6 Current tax assets (net) - non current

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Tax [Net of provision for income tax of ₹ 812.72 Mn (31 March 2023: ₹ 1,601.22 Mn)]	78.47	119.77
<b>Total</b>	<b>78.47</b>	<b>119.77</b>

## Note: 7 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Prepaid expenses	5.51	5.91
Capital advances	4.33	16.52
<b>Total</b>	<b>9.84</b>	<b>22.43</b>

## Note: 8 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials [Includes Goods in transit ₹ 44.72 Mn (31 March 2023: ₹ 8.72 Mn)]	1,133.25	909.40
Work-in-progress	143.16	125.09
Finished goods	642.46	337.46
Stores and spares [Includes Goods in transit ₹ 22.28 Mn (31 March 2023: ₹ 0.84 Mn)]	157.39	112.91
<b>Total</b>	<b>2,076.26</b>	<b>1,484.86</b>

### Notes:

- The Company has expensed inventory of ₹ 11.40 Mn (31 March 2023: ₹ 32.64 Mn) for writing down the value of inventories towards slow moving, non-moving and obsolete inventories.
- Inventories amounting to ₹ 2,076.26 Mn (31 March 2023 : ₹ 1,484.86 Mn) have been pledged to secure borrowings of the Company (Refer Note 19 and Note 22).

## Note: 9 Investments - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>I. Measured at FVTPL</b>		
<b>Investments in Mutual Funds</b>		
<b>Unquoted</b>		
Aditya Birla Sun Life Corporate Bond Fund - Direct Plan - Growth 1,341,644 units (31 March 2023: 1,341,644 units)	138.52	128.27
Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund - Direct Plan - Growth 5,038,568 units (31 March 2023: 5,038,568 units)	56.55	52.74
Aditya Birla Sun Life Banking & PSU Debt Fund - Direct Plan - Growth 152,462 units (31 March 2023: 152,462 units)	52.28	48.57
Axis Short Term Fund - Direct Plan - Growth 7,548,504 units (31 March 2023: 7,548,504 units)	228.17	211.54
Axis Crisil IBX SDL May 2027 Index Fund - Direct Plan - Growth 3,215,316 units (31 March 2023: 3,215,316 units)	35.64	33.26

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 9 Investments - current (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Axis Banking & PSU Debt Fund - Direct Plan - Growth 13,233 units (31 March 2023: 13,233 units)	32.47	30.28
Axis Strategic Bond Fund - Direct Plan - Growth 2,423,475 units (31 March 2023: Nil)	66.51	-
Bandhan Low Duration Fund - Direct Plan - Growth 845,823 units (31 March 2023: 845,823 units)	30.40	28.32
Bandhan Corporate Bond Fund - Direct Plan - Growth 5,451,773 units (31 March 2023: 5,451,773 units)	97.16	90.51
Bandhan Bond Fund - Short Term - Direct Plan - Growth 698,262 units (31 March 2023: 698,262 units)	38.35	35.63
Bharat Bond FOF - April 2023 Fund - Direct Plan - Growth Nil (31 March 2023: 2,572,814 units)	-	31.44
DSP Low Duration Fund - Direct Plan - Growth 973,263 units (31 March 2023: 973,263 units)	18.11	16.85
DSP Banking & PSU Debt Fund - Direct Plan - Growth 1,715,129 units (31 March 2023: 1,715,129 units)	38.58	35.71
HDFC Corporate Bond Fund - Direct Plan - Growth 3,195,709 units (31 March 2023: 3,195,709 units)	95.50	88.26
ICICI Prudential Short Term Fund - Direct Plan - Growth 1,133,953 units (31 March 2023: 1,133,953 units)	66.83	61.65
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 1,725,839 units (31 March 2023: 1,346,092 units)	48.57	35.04
ICICI Prudential Long Term Bond Fund - Direct Plan - Growth 858,747 units (31 March 2023: Nil)	75.44	-
Kotak Corporate Bond Fund - Direct Plan - Growth 42,991 units (31 March 2023: 42,991 units)	151.98	140.85
Kotak Dynamic Bond Fund - Direct Plan - Growth 961,479 units (31 March 2023: Nil)	35.31	-
Kotak Banking and PSU Debt Fund - Direct Plan - Growth 1,075,722 units (31 March 2023: 1,075,722 units)	66.00	61.18 @
Kotak Bond Short Term Plan - Direct Plan - Growth 1,276,236 units (31 March 2023: 1,276,236 units)	65.76	60.91 @
Kotak Nifty SDL April 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 7,092,638 units (31 March 2023: 7,092,638 units)	78.76	73.54
Mirae Asset Dynamic Bond Fund - Direct Plan - Growth 1,336,396 units (31 March 2023: 672,163 units)	21.31	10.00
Mirae Asset Nifty SDL Jun 2027 Index Fund - Direct Plan - Growth 8,526,590 units (31 March 2023: 8,526,590 units)	94.66	88.30
Mirae Asset Overnight Fund - Direct Plan - Growth 12 units (31 March 2023: Nil)	0.01	-
Nippon India Banking & PSU Debt Fund - Direct Plan - Growth 11,556,011 units (31 March 2023: 11,556,011 units)	224.39	208.19
Nippon India Liquid Fund - Direct Plan - Growth 5,768 units (31 March 2023: Nil)	34.08	-
SBI Arbitrage Opportunities Fund - Direct Plan - Growth 463,286 units (31 March 2023: Nil)	15.17	-



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 9 Investments - current (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
SBI Banking and PSU Fund - Direct Plan - Growth 49,992 units (31 March 2023: 49,992 units)	149.23	138.73 <sup>@</sup>
SBI Corporate Bond Fund - Direct Plan - Growth 2,626,294 units (31 March 2023: 2,626,294 units)	37.68	35.00
SBI Magnum Constant Maturity Fund - Direct Plan - Growth 930,692 units (31 March 2023: Nil)	55.01	-
SBI Dynamic Bond Fund - Direct Plan - Growth 402,240 units (31 March 2023: Nil)	14.14	-
Tata Fixed Maturity Plan Series 61 Scheme A (91 days) - Direct Plan - Growth 4,999,750 units (31 March 2023: Nil)	50.21	-
UTI Banking & PSU Debt Fund - Direct Plan - Growth 1,867,741 units (31 March 2023: 1,867,741 units)	37.65	35.04
UTI Crisil SDL Maturity June 2027 Index Fund - Direct Plan - Growth 5,739,008 units (31 March 2023: 5,739,008 units)	62.48	58.31
<b>II. Measured at Amortised Cost</b>		
<b>Unquoted</b>		
<b>Investments in Perpetual Bond</b>		
ICICI Bank Limited - 9.90% - Series DDE 18AT (with call option on 28 December 2023) (face value ₹ 1 Mn)	-	51.93
	<b>2,312.91</b>	<b>1,890.05</b>
<b>Total</b>	<b>2,312.91</b>	<b>1,890.05</b>

@ Marked under lien in favour of lenders for stand-by letter of credit given by the Company to secure the financial assistance extended to subsidiary company as at 31 March 2023

Aggregate amount of unquoted investments	2,312.91	1,890.05
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## Note: 10(a) Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Unsecured, considered good	2,390.79	2,086.29
(b) Credit impaired	95.49	85.31
	<b>2,486.28</b>	<b>2,171.60</b>
Less: Allowances for expected credit losses	(147.68)	(117.07)
<b>Net trade receivables</b>	<b>2,338.60</b>	<b>2,054.53</b>

### Notes:

#### (a) Allowance for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used the practical expedient by computing the expected credit losses based on provision matrix, which has taken into account historical credit loss experience and adjusted for forward looking information. Company also analyses all its receivables periodically for recoverability assessment and wherever they have analysed that the receivable may be credit impaired on account of non recoverability, loss allowance on such receivables have been provided in full.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 10(a) Trade receivables (Contd..)

Details of allowances for expected credit loss are provided hereunder :-

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
At the beginning of the year	117.07	51.56
Provision created during the year (a)	30.61	62.37
Adjustments	-	3.14
<b>Closing at the end of the year</b>	<b>147.68</b>	<b>117.07</b>
Bad debts and advances written off (b)	9.65	3.34
<b>Total charges to standalone statement of profit and loss (a+b)</b>	<b>40.26</b>	<b>65.71</b>

## (b) Trade receivable ageing schedule:

### (i) As at 31 March 2024

Particulars	Outstanding from following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed - considered good	1,241.30	864.96	177.60	83.90	20.73	2.30	2,390.79
(b) Undisputed - credit impaired	-	2.16	0.66	11.81	12.47	68.39	95.49
(c) Disputed - considered good	-	-	-	-	-	-	-
(d) Disputed - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,241.30</b>	<b>867.12</b>	<b>178.26</b>	<b>95.71</b>	<b>33.20</b>	<b>70.69</b>	<b>2,486.28</b>
Less : Allowance for credit impaired	-	2.16	0.66	11.81	12.47	68.39	95.49
<b>Net trade receivables before credit losses</b>	<b>1,241.30</b>	<b>864.96</b>	<b>177.60</b>	<b>83.90</b>	<b>20.73</b>	<b>2.30</b>	<b>2,390.79</b>
Expected loss rate	2.17%	2.23%	2.25%	2.10%	1.18%	1.71%	
Less : Allowance for expected credit losses	26.88	19.27	4.00	1.76	0.24	0.04	52.19
<b>Net trade receivables</b>	<b>1,214.42</b>	<b>845.69</b>	<b>173.60</b>	<b>82.14</b>	<b>20.49</b>	<b>2.26</b>	<b>2,338.60</b>

### (ii) As at 31 March 2023

Particulars	Outstanding from following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed - considered good	1,198.21	656.05	176.81	44.71	10.51	-	2,086.29
(b) Undisputed - credit impaired	-	0.07	4.69	5.32	61.62	13.61	85.31
(c) Disputed - considered good	-	-	-	-	-	-	-
(d) Disputed - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,198.21</b>	<b>656.12</b>	<b>181.50</b>	<b>50.03</b>	<b>72.13</b>	<b>13.61</b>	<b>2,171.60</b>
Less : Allowance for credit impaired	-	0.07	4.69	5.32	61.62	13.61	85.31
<b>Net trade receivables before credit losses</b>	<b>1,198.21</b>	<b>656.05</b>	<b>176.81</b>	<b>44.71</b>	<b>10.51</b>	<b>-</b>	<b>2,086.29</b>
Expected loss rate	1.79%	1.05%	1.18%	2.72%	1.25%	-	
Less : Allowance for expected credit losses	21.43	6.89	2.09	1.22	0.13	-	31.76
<b>Net trade receivables</b>	<b>1,176.78</b>	<b>649.16</b>	<b>174.72</b>	<b>43.49</b>	<b>10.38</b>	<b>-</b>	<b>2,054.53</b>

(c) There are no outstanding receivables due from directors or other officers of the Company.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 10(a) Trade receivables (Contd..)

- (d) Trade receivables amounting to ₹ 2,338.60 Mn (31 March 2023: ₹ 2,054.53 Mn) have been pledged to secure borrowings of the Company (Refer Note 19 and Note 22).
- (e) Refer Note 37 for receivables from related parties.
- (f) There are no customers other than two subsidiaries contributing more than 10% of the total outstanding receivables as at 31 March 2024 (31 March 2023: One customer and one subsidiary).

## Note: 10(b) Contract assets

Particulars	As at 31 March 2024	As at 31 March 2023
Contract assets	9.94	35.31
<b>Total</b>	<b>9.94</b>	<b>35.31</b>

### Notes:

- (a) Contract assets amounting to ₹ 9.94 Mn (31 March 2023: ₹ 35.31 Mn) have been pledged to secure borrowings of the Company (Refer Note 19 and Note 22).
- (b) Refer Note 37 for contract assets from related parties.
- (c) Significant changes in contract assets:

Contract assets have decreased as the Company has provided fewer services ahead of the agreed payment schedules for fixed-price contracts.

## Note: 11 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Cash on hand	0.78	0.41
Balances with banks		
In current accounts	36.93	41.70
<b>Total</b>	<b>37.71</b>	<b>42.11</b>

## Note: 12 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Other bank balances</b>		
In deposit account	2.56	7.33
<b>Earmarked Balances</b>		
In unclaimed dividend accounts	0.21	-
<b>Total</b>	<b>2.77</b>	<b>7.33</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 13(a) Loans - non current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loan to subsidiary	196.00	193.10
<b>Total</b>	<b>196.00</b>	<b>193.10</b>

### Notes:

#### (i) Loans outstanding from subsidiary:

##### (a) As at 31 March 2024

Particulars	Debts outstanding as at 31 March 2024	Maximum balance outstanding during the year
<b>Loan to Subsidiary</b>		
(1) Tega Holdings Pte Limited (interest rate 3 months SOFR+240 points; tenure 36 months)	196.00	196.00

##### (b) As at 31 March 2023

Particulars	Debts outstanding as at 31 March 2023	Maximum balance outstanding during the year
<b>Loans to Subsidiaries</b>		
(1) Tega Holdings Pte Limited (interest rate 3 months SOFR+240 points; tenure 36 months)	193.10	193.10
(2) Tega Equipments Private Limited *	-	655.69

\*Tega Equipments Private Limited had got merged into Tega McNally Minerals Limited (formerly known as McNally Sayaji Engineering Limited) on 29 March 2023 (Refer Note 47).

## Note: 13(b) Loans - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loan to employees	0.12	0.58
<b>Total</b>	<b>0.12</b>	<b>0.58</b>

### Notes:

- (a) There are no outstanding loans due from directors or other officers of the Company.
- (b) There are no loans and advances in the nature of loans granted to promoters, directors, KMPs, and the related parties (as defined under Companies Act, 2013) or other parties (including employees) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment during the current or previous year. Loans granted to employees are unsecured in nature and are interest free. In respect of these loans, the schedule of repayment of principal amount has been stipulated and the employees are repaying the principal amount as stipulated in a regular manner. The terms and conditions under which these loans were granted are not prejudicial to the interest of the Company.



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 14 Other financial assets - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits	5.71	39.80
Interest receivable	1.07	0.73
Derivative asset		
Foreign exchange forward contracts	8.68	11.69
Foreign currency options	29.57	27.75
Interest rate swaps	6.61	8.76
Accruals under duty drawback	3.76	2.48
<b>Total</b>	<b>55.40</b>	<b>91.21</b>

## Note: 15 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Accruals under other export incentives	26.79	21.24
Balance with government authorities	125.72	96.40
Advance to suppliers	112.26	59.17
Prepaid expenses	10.72	16.00
Employee advances	5.21	13.59
<b>Total</b>	<b>280.70</b>	<b>206.40</b>

## Note: 16 Equity share capital

### (a) Authorised share capital

Particulars	Number of shares	Amount
<b>As at 1 April 2022</b>	<b>7,00,00,000</b>	<b>700.00</b>
Changes during the year	-	-
<b>As at 31 March 2023</b>	<b>7,00,00,000</b>	<b>700.00</b>
Changes during the year	-	-
<b>As at 31 March 2024</b>	<b>7,00,00,000</b>	<b>700.00</b>

### (b) Issued, subscribed and fully paid-up shares

Particulars	Number of shares	Amount
<b>As at 1 April 2022</b>	<b>6,62,93,149</b>	<b>662.93</b>
Changes during the year		
Exercise of options - proceeds received (Refer Note 46)	60,963	0.61
<b>As at 31 March 2023</b>	<b>6,63,54,112</b>	<b>663.54</b>
Changes during the year		
Exercise of options - proceeds received (Refer Note 46)	1,81,380	1.81
<b>As at 31 March 2024</b>	<b>6,65,35,492</b>	<b>665.35</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 16 Equity share capital (Contd..)

### (c) Equity shares held by holding company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
<b>Equity shares:</b>				
Nihal Fiscal Services Private Limited	3,71,28,203	55.80%	3,65,53,153	55.09%

### (d) Details of the shareholders holding more than 5% of equity shares of the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
<b>Equity shares:</b>				
Nihal Fiscal Services Private Limited, the Holding Company	3,71,28,203	55.80%	3,65,53,153	55.09%
Mr. Madan Mohan Mohanka	53,48,502	8.04%	53,48,502	8.06%
Mr. Manish Mohanka	72,78,925	10.94%	72,78,925	10.97%

### (e) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having par value of ₹10/-. Each equity shareholder is entitled to vote in the same proportion as the equity capital paid (whether fully paid or partly paid) held by the shareholder bears to the total paid up equity capital of the company. Each equity shareholder is entitled to dividend in proportion of the amount paid up as and when the company declares and pays dividend after obtaining shareholders' approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### (f) Shares reserved for issue under options

Pursuant to approved employee stock option scheme 2011, the Company has granted 498,628 nos of employees stock options of which 242,343 (31 March 2023: 60,963) of the options have been exercised (also Refer Note 46).

### (g) Shares held by the promoters and promoter group

Name of the Promoters	As at 31 March 2024		
	Number of Shares	% of Total Shares	% change during the period
<b>Equity shares:</b>			
<b>Promoters</b>			
Mr. Madan Mohan Mohanka	53,48,502	8.04%	(0.02%)
Mr. Mehul Mohanka	3,315	(0.00%^)	(3.02%)
Mr. Manish Mohanka	72,78,925	10.94%	(0.03%)
Nihal Fiscal Services Private Limited, the Holding Company	3,71,28,203	55.80%	0.71%
<b>Promoter Group</b>			
Marudhar Food and Credit Limited	-	-	(1.96%)

^Below the rounding off norm adopted by the Company

#### Note:

The change in shareholding is on account of fresh issue of equity shares due to exercise of option, sale of equity shares by Mr. Mehul Mohanka and Nihal Fiscal Services Private Limited in the open market for achieving minimum public shareholding and merger of Marudhar Food and Credit Limited into Nihal Fiscal Services Private Limited vide NCLT Order dated 14 June 2023.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 16 Equity share capital (Contd..)

Name of the Promoters	As at 31 March 2023		
	Number of Shares	% of Total Shares	% change during the period
<b>Equity shares:</b>			
<b>Promoters</b>			
Mr. Madan Mohan Mohanka	53,48,502	8.06%	(0.01%)
Mr. Mehul Mohanka	20,03,315	3.02%	(0.00%^)
Mr. Manish Mohanka	72,78,925	10.97%	(0.01%)
Nihal Fiscal Services Private Limited, the Holding Company	3,65,53,153	55.09%	(0.05%)
<b>Promoter Group</b>			
Marudhar Food and Credit Limited	13,00,000	1.96%	(0.00%^)

^Below the rounding off norm adopted by the Company

### Note:

The change in shareholding is on account of fresh issue of equity shares due to exercise of options.

- (h) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

## Note: 17 Preference share capital

### (a) Authorised share capital

#### Compulsorily Convertible Participatory Preference shares

Particulars	Number of shares	Amount
As at 1 April 2022	1,00,00,000	100.00
Changes during the year	-	-
As at 31 March 2023	1,00,00,000	100.00
Changes during the year	-	-
As at 31 March 2024	1,00,00,000	100.00

#### Redeemable Preference shares

Particulars	Number of shares	Amount
As at 1 April 2022	2,50,00,000	250.00
Changes during the year	-	-
As at 31 March 2023	2,50,00,000	250.00
Changes during the year	-	-
As at 31 March 2024	2,50,00,000	250.00

- (b) Preference shares are yet to be issued and are included above for disclosure purpose only. Classification of the preference shares as equity or liability will be determined at the time they are issued.
- (c) No preference shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 18 Other equity

Particulars	Refer following items	As at 31 March 2024	As at 31 March 2023
<b>Reserve and surplus</b>			
Securities premium	(i)	907.76	903.79
General reserve	(ii)	337.98	337.98
Retained earnings	(iii)	9,538.08	8,404.38
Share options outstanding account	(iv)	0.23	0.42
<b>Other reserves</b>			
Cash flow hedge reserve	(v)	5.76	-
<b>Total</b>		<b>10,789.81</b>	<b>9,646.57</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Reserve and surplus</b>		
<b>(i) Securities premium</b>		
Balance at the beginning of the year	903.79	902.10
Exercise of options - proceeds received	3.78	1.63
Transfer within equity - exercise of options	0.19	0.06
<b>Balance at the end of the year</b>	<b>907.76</b>	<b>903.79</b>
<b>(ii) General reserve</b>		
<b>Balance at the beginning and end of the year</b>	<b>337.98</b>	<b>337.98</b>
<b>(iii) Retained earnings</b>		
Balance at the beginning of the year	8,404.38	7,269.89
Profit for the year	1,265.01	1,138.20
Items of other comprehensive income recognized directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	1.59	(3.71)
Appropriations:		
- Dividend Paid	(132.90)	-
<b>Balance at the end of the year</b>	<b>9,538.08</b>	<b>8,404.38</b>
<b>(iv) Share options outstanding account</b>		
Balance at the beginning of the year	0.42	0.48
Transfer within equity - exercise of options	(0.19)	(0.06)
<b>Balance at the end of the year</b>	<b>0.23</b>	<b>0.42</b>
<b>Other reserves</b>		
<b>(v) Cash flow hedge reserve</b>		
Balance at the beginning of the year	-	-
Fair value changes of cash flow hedges, net of tax	5.76	-
<b>Balance at the end of the year</b>	<b>5.76</b>	<b>-</b>
<b>Total</b>	<b>10,789.81</b>	<b>9,646.57</b>

### Nature and purpose of reserves

#### (i) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Companies Act").

#### (ii) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 18 Other equity (Contd..)

### (iii) Retained earnings

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

### (iv) Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under the Company's Employee stock option plan (Refer Note 46).

### (v) Cash flow hedge reserve

The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognized in cash flow hedge reserve. Such changes recognized are reclassified to the standalone statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item in accordance with the Company's accounting policy.

## Note: 19 Borrowings - non current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Foreign currency term loan* [Refer (a) and (b) below]	387.83	603.95
Less: Current maturities of long term borrowings [Refer Note 22]	(212.68)	(221.86)
	<b>175.15</b>	<b>382.09</b>
<b>Secured</b>		
Vehicle loans from financial institution [Refer (c) below]	7.75	10.35
Less: Current maturity of long term borrowings [Refer Note 22]	(2.81)	(2.60)
	<b>4.94</b>	<b>7.75</b>
<b>Total</b>	<b>180.09</b>	<b>389.84</b>

### (a) Details of secured term loan facilities from bank are as follows: -

Terms of repayment	As at 31 March 2024*	As at 31 March 2023*	Currency	Maturity Date	Interest Rate
Repayable in 28 unequal quarterly instalments starting from 28 June 2018 in the following manner:(a) first 4 instalments of 0.50% each (b) next 4 instalments of 1.00% each (c) next 6 instalments of 2.00% each (d) next 4 instalments of 4.00% each (e) next 6 instalments of 6.00% each (f) next 4 instalments of 7.50% each.	62.55	110.93	USD	28-Mar-25	Overnight SOFR plus 325 basis points (31 March 2023: 3 month USD LIBOR plus 325 basis points)
Repayable in 20 unequal quarterly instalments starting from 22 October 2019 in the following manner:(a) first 4 instalments of 2.50% each (b) next 6 instalments of 4.00% each (c) next 2 instalments of 6.00% each (d) next 4 instalments of 8.00% each (e) next 2 instalments of 5.00% each (f) next 2 instalments of 6.00% each.	50.04	156.12	USD	22-Jul-24	Overnight SOFR plus 290 basis points (31 March 2023: 3 month USD LIBOR plus 290 basis points)



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19 Borrowings - non current (Contd..)

Terms of repayment	As at 31 March 2024*	As at 31 March 2023*	Currency	Maturity Date	Interest Rate
Repayable in 28 unequal quarterly instalments starting from 22 October 2019 in the following manner:(a) first 4 instalments of 0.50% each (b) next 4 instalments of 1.00% each (c) next 6 instalments of 2.00% each (d) next 4 instalments of 4.00% each (e) next 6 instalments of 6.00% each (f) next 4 instalments of 7.50% each.	275.24	336.90	USD	22-Jul-26	Overnight SOFR plus 315 basis points (31 March 2023: 3 month USD LIBOR plus 315 basis points)

\* based on closing rates

- (b) The term loans of ₹ 387.83 Mn (31 March 2023: ₹ 603.95 Mn) are secured by first charge on pari passu basis with the existing lender wherever applicable on property, plant and equipment (both moveable and immovable) and right-of-use land of the Company and second charge on the current assets to be shared on pari passu basis with the other working capital lenders.
- (c) Vehicle loans of ₹ 7.75 Mn (31 March 2023: ₹ 10.35 Mn) is secured by hypothecation of vehicle purchased and are repayable in forty eight (31 March 2023: forty eight) monthly equated instalments commencing from the subsequent month in which the loan is taken carrying fixed interest of 7.97% per annum (31 March 2023: 7.97% per annum).

## Note: 20 Other financial liabilities - non current

Particulars	As at 31 March 2024	As at 31 March 2023
Derivative liabilities		
Foreign currency options	9.49	24.25
<b>Total</b>	<b>9.49</b>	<b>24.25</b>

## Note: 21 Deferred tax liabilities (net)

The balances comprises temporary differences attributable to:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities</b>		
Property, plant and equipment and intangible assets	27.46	20.64
Investments	37.39	32.37
Right-of-Use Assets	1.74	3.46
Others	5.26	5.50
<b>Total (A)</b>	<b>71.85</b>	<b>61.97</b>
<b>Deferred tax assets</b>		
Allowance for expected credit losses	37.05	29.47
Amounts allowable for tax purpose on payment basis	31.70	27.88
Lease liabilities	2.36	4.10
<b>Total (B)</b>	<b>71.11</b>	<b>61.45</b>
<b>Deferred tax liabilities (net) (A-B)</b>	<b>0.74</b>	<b>0.52</b>

Refer Note 36 for tax expense

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 22 Borrowings - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
(a) Rupee loan from banks [Refer below]	850.94	860.15
(b) Foreign Currency loan from banks [Refer below]	-	106.89
(c) Current maturities of long-term borrowings		
Term loan from banks	212.68	221.86
Vehicle loan from financial institution	2.81	2.60
<b>Total</b>	<b>1,066.43</b>	<b>1,191.50</b>

### Nature of security:

All the above facilities mentioned in (a) and (b) are secured by first charge over entire current assets (both present and future) of the Company on pari-passu basis with other banks and second charge on property, plant and equipment (both moveable and immovable) and right-of-use land of the Company on pari-passu basis with other banks. Interest rate ranges from 5.65 % to 7.00% (31 March 2023: 3.03 % to 13.50%).

## Note: 23 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Total outstanding dues of micro enterprises and small enterprises (Refer below)	102.06	60.02
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances	50.65	28.23
(ii) Others	669.33	520.72
<b>Total</b>	<b>822.04</b>	<b>608.97</b>

### Notes:

- (a) Amount due to micro enterprises and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosure relating to micro enterprises and small enterprises is as below:

Particulars	As at 31 March 2024	As at 31 March 2023
(i) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year.		
Principal Amount :	63.01	33.16
Interest :	0.63	0.30
(ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	1.33
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	6.12	0.92
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	39.05	26.86
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006;	5.44	4.90

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 23 Trade payables (Contd..)

### (b) Trade payable ageing schedule:

#### (i) As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro enterprises and small enterprises	-	28.56	46.17	6.37	4.94	16.02	102.06
(b) Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises	190.42	221.69	301.47	2.16	1.12	3.12	719.98
(c) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(d) Disputed total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>190.42</b>	<b>250.25</b>	<b>347.64</b>	<b>8.53</b>	<b>6.06</b>	<b>19.14</b>	<b>822.04</b>

#### (ii) As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro enterprises and small enterprises	-	11.47	31.13	3.81	2.83	10.78	60.02
(b) Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises	188.51	119.81	235.29	1.50	1.41	2.43	548.95
(c) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(d) Disputed total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>188.51</b>	<b>131.28</b>	<b>266.42</b>	<b>5.31</b>	<b>4.24</b>	<b>13.21</b>	<b>608.97</b>

(c) Refer Note 37 for payables to related parties.

## Note: 24 Other financial liabilities - current

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	6.52	9.30
Derivative liabilities		
Foreign exchange forward contracts	3.73	0.42
Foreign currency options	2.18	1.63
Unclaimed dividend	0.21	-

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 24 Other financial liabilities - current (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Other payables		
Capital creditors	38.70	29.61
Security deposit	1.43	1.43
Employee related liabilities	117.87	89.25
<b>Total</b>	<b>170.64</b>	<b>131.64</b>

## Note: 25 Provisions - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(a) Provision for employee benefits (Refer Note 32.1)</b>		
Provision for gratuity	11.41	36.87
Provision for compensated absences	54.42	48.95
<b>(b) Others</b>		
Provision for warranty [Refer Note (A) below]	23.86	22.33
<b>Total</b>	<b>89.69</b>	<b>108.15</b>

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>(A) Movement in Provision for warranty:</b>		
Opening balance	22.33	16.01
Provision created during the year	15.97	12.68
Provision used during the year	(14.44)	(6.36)
<b>Closing balance</b>	<b>23.86</b>	<b>22.33</b>
- Short Term	23.86	22.33

### Nature of provisions :

The Company has given warranties on certain products, undertaken to repair or replace the items that failed to perform satisfactorily during the warranty period. Provision made as on 31 March 2024 and 31 March 2023 represent the amount of the expected cost of meeting such obligation of rectification/ replacement.

## Note: 26 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax net of advance tax to the extent of ₹ 1,909.73 Mn (31 March 2023: ₹ 1,278.03 Mn)	43.56	79.71
<b>Total</b>	<b>43.56</b>	<b>79.71</b>

## Note: 27 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advances received from customers	499.63	106.11
Deferment of revenue	86.35	48.68
Grant relating to export benefits	47.03	103.13

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 27 Other current liabilities (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Other payables		
Liability towards corporate social responsibility* (Refer Note A below)	-	2.15
Statutory dues (Contribution to PF and ESIC, GST, Withholding Taxes, Entry Tax, etc.)	63.43	60.45
<b>Total</b>	<b>696.44</b>	<b>320.52</b>

\* Refer Note 35(a)(i)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>(A) Movement in Provision for corporate social responsibility:</b>		
Opening balance	2.15	3.80
Liability towards corporate social responsibility	-	2.15
Transferred to special purpose account	(2.15)	(3.80)
<b>Closing balance</b>	<b>-</b>	<b>2.15</b>

## Note: 28 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	7,368.40	7,151.31
<b>Total</b>	<b>7,368.40</b>	<b>7,151.31</b>

The Company has recognized the following amounts relating to revenue in the standalone statement of profit and loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Sale of products	6,994.42	6,758.74
(ii) Sale of services	82.33	136.12
	<b>7,076.75</b>	<b>6,894.86</b>
(ii) Other operating revenue		
Sale of scrap	56.39	68.35
Commission income	34.44	20.46
Duty drawback and other export incentives	101.54	78.25
Service fees	99.28	89.39
<b>Total</b>	<b>7,368.40</b>	<b>7,151.31</b>

### (i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods and services in the following geographical regions:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
North America	1,072.90	721.50
South America	835.59	737.40
EMER (Europe, Middle East and Russia)	1,186.58	1,311.85
Africa	1,850.96	2,047.05
Asia Pacific (South East Asia and Australia)	679.11	707.96
India	1,451.61	1,369.10
<b>Total</b>	<b>7,076.75</b>	<b>6,894.86</b>



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 28 Revenue from operations (Contd..)

### (ii) The Company has recognized the following revenue-related contract assets and liabilities:

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Contract assets	10(b)	9.94	35.31
<b>Total contract assets</b>		<b>9.94</b>	<b>35.31</b>
Contract liabilities - deferment of revenue	27	86.35	48.68
Contract liabilities - advances received from customers	27	499.63	106.11
<b>Total contract liabilities</b>		<b>585.98</b>	<b>154.79</b>

### (iii) Revenue recognized in relation to contract liabilities:

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognized that was included in the contract liabilities balance at the beginning of the period:		
Sale contracts	125.75	195.80

### (iv) The following table shows reconciliation of revenue recognized with contract price:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Contract Price</b>	7,114.35	6,880.62
Adjustments for:		
Refund liabilities - Claims/ Liquidating damages	0.07	(2.13)
Contract liabilities - Unfulfilled obligations at the beginning of the year recognized as revenue during the year	48.68	65.05
Contract liabilities - Unfulfilled obligations at the end of the year*	(86.35)	(48.68)
<b>Total</b>	<b>7,076.75</b>	<b>6,894.86</b>

\* These unfulfilled obligations are expected to be settled within the next 12 months.

## Note: 29 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>(a) Interest income</b>		
on financial instruments at amortised cost	19.35	12.22
on income tax refund	15.38	-
<b>(b) Dividend income</b>		
from joint venture	11.25	5.63
<b>(c) Other non-operating income</b>		
Net fair value gain/ (loss) on investments classified at FVTPL	145.51	(2.23)
Net gain on sale of investments classified at FVTPL	23.17	95.00
Gain on sale of investments in subsidiary	-	13.51
Net gain on foreign currency transaction and translation	100.26	73.84
Mark to market gain/ (loss) on derivative instruments (net)	(30.39)	50.77
Miscellaneous receipts	5.27	0.92
<b>Total</b>	<b>289.80</b>	<b>249.66</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 30 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock	909.40	1,085.14
Add: Purchases	3,645.22	3,008.73
Less: Closing stock	(1,133.25)	(909.40)
<b>Total</b>	<b>3,421.37</b>	<b>3,184.47</b>

## Note: 31 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Closing Stock:		
Finished goods	642.46	337.46
Work-in-progress	143.16	125.09
	<b>785.62</b>	<b>462.55</b>
Less : Opening Stock:		
Finished goods	337.46	338.23
Work-in-progress	125.09	157.94
	<b>462.55</b>	<b>496.17</b>
<b>(Increase)/ decrease in finished goods and work-in-progress</b>	<b>(323.07)</b>	<b>33.62</b>

## Note: 32 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages (including bonus)	677.08	582.89
Contribution to provident and other funds (Refer Note 32.1)	51.04	43.16
Staff welfare expenses	59.73	42.94
<b>Total</b>	<b>787.85</b>	<b>668.99</b>

## Note: 32.1 Employee benefits obligations

### (i) Post-employment obligations

#### (a) Defined contribution plan

The Company makes contribution to Provident Fund and Superannuation Fund defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
i) Contribution to Provident Fund *	26.04	21.85
ii) Contribution to Superannuation Fund *	13.33	11.70
	<b>39.37</b>	<b>33.55</b>

(\*) recognized under 'Contribution to provident and other funds' in Note 32.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 32 Employee benefits expense (Contd..)

### (b) Defined benefit plan - Funded Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (fifteen days salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.15 based upon which, the Company makes contribution to the Gratuity fund.

### (ii) Other long term employee benefit plans

The leave obligations cover the Company's liability for other long term benefits.

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

### (iii) Balance sheet recognition

#### Gratuity

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation (Gratuity) over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2023</b>	<b>79.62</b>	<b>(42.75)</b>	<b>36.87</b>
Current service cost	9.02	-	9.02
Interest expense/ (income)	5.73	(3.08)	2.65
<b>Total amount recognized in statement of profit and loss</b>	<b>14.75</b>	<b>(3.08)</b>	<b>11.67</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.32	0.32
Actuarial (gain)/ loss from change in demographic assumptions	-	-	-
Actuarial (gain)/ loss from change in financial assumptions	1.86	-	1.86
Actuarial (gain)/ loss from change in experience	(4.31)	-	(4.31)
<b>Total amount recognized in other comprehensive income</b>	<b>(2.45)</b>	<b>0.32</b>	<b>(2.13)</b>
Employer contributions	-	(35.00)	(35.00)
Benefit payments	(4.59)	4.59	-
<b>As at 31 March 2024</b>	<b>87.33</b>	<b>(75.92)</b>	<b>11.41</b>
Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2022</b>	<b>66.83</b>	<b>(36.03)</b>	<b>30.80</b>
Current service cost	7.39	-	7.39
Interest expense/ (income)	4.81	(2.59)	2.22
<b>Total amount recognized in statement of profit and loss</b>	<b>12.20</b>	<b>(2.59)</b>	<b>9.61</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	(0.25)	(0.25)
Actuarial (gain)/ loss from change in demographic assumptions	-	-	-
Actuarial (gain)/ loss from change in financial assumptions	-	-	-

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 32 Employee benefits expense (Contd..)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Actuarial (gain)/ loss from change in experience	5.21	-	5.21
<b>Total amount recognized in other comprehensive income</b>	<b>5.21</b>	<b>(0.25)</b>	<b>4.96</b>
Employer contributions	-	(8.50)	(8.50)
Benefit payments	(4.62)	4.62	-
<b>As at 31 March 2023</b>	<b>79.62</b>	<b>(42.75)</b>	<b>36.87</b>

### (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount Rate	7.00%	7.20%
Rate of Salary Increase	8.50%	8.50%
Rate of Employee Turnover		
Upto 30 years	9.00%	9.00%
From 31 years to 44 years	4.00%	4.00%
More than 44 years	2.00%	2.00%
Mortality Rate During Employment	IALM 12-14 Ultimate	IALM 12-14 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of assets management, historical results of the return on plan assets, and other relevant factors.

### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	% change compared to base due to sensitivity			
	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11.86%	(10.00%)	11.52%	(9.72%)
	10.36	(8.73)	9.18	(7.73)
Salary Growth Rate (- / + 1%)	(9.13%)	10.27%	(9.05%)	10.17%
	(7.98)	8.97	(7.20)	8.11
Attrition Rate (- / + 50%)	2.05%	(1.64%)	1.66%	(1.32%)
	1.79	(1.43)	1.33	(1.04)
Mortality Rate (- / + 10%)	0.12%	(0.12%)	0.10%	(0.10%)
	0.10	(0.10)	0.09	(0.07)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 32 Employee benefits expense (Contd..)

### (vi) The major categories of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Category of Plan Assets</b>		
Funds Managed by Insurer	97.41%	92.44%
Bank balance	2.59%	7.56%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

### (vii) Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

#### Interest 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 the value of the liability (as shown in standalone financial statements).

#### Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

#### Salary Escalation Risk:

The present value of the defined benefit plan's 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 liability.

#### 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.

#### Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of ₹ 2.00 Mn).

### (viii) Defined benefit liability and employer contributions

The company expects to contribute ₹ 11.41 Mn to the funded retiring gratuity plan in the financial year 2024-25.

The weighted average duration of the defined benefit obligation is 12 years (31 March 2023: 11 years).



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 33 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on		
Leases [Refer Note 3(b)]	1.11	2.46
Income tax	-	3.20
Bank borrowings and others	100.57	88.41
Other borrowing costs	4.88	3.46
Applicable loss on foreign currency transactions and translations	0.30	1.31
<b>Total</b>	<b>106.86</b>	<b>98.84</b>

## Note: 34 Depreciation and amortisation expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment [Refer Note 3(a)]	185.05	165.79
Depreciation of Right-of-Use Assets [Refer Note 3(b)]	12.12	16.19
Amortisation of intangible assets [Refer Note 3(d)]	3.06	1.22
<b>Total</b>	<b>200.23</b>	<b>183.20</b>

## Note: 35 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores and spare parts	97.64	92.98
Power and fuel	276.10	256.78
Rent	21.58	13.41
Repairs to buildings	18.07	18.49
Repairs to machinery	73.06	58.14
Repairs to others	39.85	42.71
Insurance expenses	18.30	14.76
Bank charges	3.14	6.67
Rates and taxes	13.75	14.91
Fabrication and other expenses	230.57	185.79
Travelling and conveyance	121.37	91.41
Commission to selling agents	28.56	22.74
Marketing fees	149.45	134.25
Packing and forwarding (net)	258.08	341.39
Product installation expenses	88.00	116.18
Postage, telephone and fax	10.27	5.97
Sales promotion expenses	8.63	5.56
Legal and professional fees	177.87	123.62
Expenditure on corporate social responsibility activities [Refer (a) below]	22.83	18.04
Directors' sitting fees	1.35	0.80
Allowance for expected credit loss (including bad debts and advances written off) [Refer Note 10(a)]	40.26	65.71
Warranty expenses	15.97	12.68

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 35 Other expenses (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net (gain)/ loss on sale of property, plant and equipment including intangible assets (including loss on assets scrapped/ written off)	2.19	(0.19)
Derivatives at FVTPL		
Swap/ option (gain) on derivative settlement (net)	(31.20)	(6.96)
Payment to auditors [Refer (b) below]	10.22	8.70
Miscellaneous expenses*	131.27	91.30
<b>Total</b>	<b>1,827.18</b>	<b>1,735.84</b>

\* includes ₹ 10.00 Mn (31 March 2023: Nil) contributed through electoral bond to All India Trinamool Congress.

### (a) Expenditure on corporate social responsibility activities

#### (i) Details of corporate social responsibility expenditure are set out below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount required to be spent as per Section 135 of the Act	22.75	17.97
Amount spent during the year on:		
(i) Construction/ acquisition of an asset <sup>@</sup>		
- Paid in cash	16.68	12.39
- Yet to be paid in cash <sup>#</sup>	-	2.15
(ii) On purposes other than (i) above		
- Paid in cash <sup>§</sup>	6.15	3.50
- Yet to be paid in cash	-	-
<b>Total</b>	<b>22.83</b>	<b>18.04</b>

<sup>@</sup> assets are not in the books of the Company

<sup>#</sup> includes NIL (31 March 2023: ₹ 2.15 Mn ) accruals towards unspent obligations in relation to ongoing projects which has been, subsequent to year end, transferred to separate unspent CSR account within the timeline in compliance with section 135(6) of the Companies Act, 2013.

<sup>§</sup> includes ₹ 0.33 Mn (31 March 2023: ₹ 0.12 Mn) spent on administrative overheads.

#### (ii) Details of corporate social responsibility expenditure under Section 135(5) of the Act in respect of other than ongoing projects:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance unspent	-	-
Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	14.75	10.85
Amount spent during the year	14.83	10.92
<b>Closing balance unspent</b>	<b>-*</b>	<b>-*</b>

\*The Company does not propose to carry forward excess amount spent during the year aggregating to ₹ 0.08 Mn (31 March 2023: ₹ 0.07 Mn) for set off in succeeding financial years.

#### (iii) Details of corporate social responsibility expenditure under Section 135(6) of the Act in respect of ongoing projects:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance unspent		
- with the Company	-	-
- in separate CSR unspent account	2.15	3.80
Amount required to be spent during the year	8.00	7.00

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 35 Other expenses (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount spent during the year		
- from the Company's bank account	(8.00)	(4.85)
- from separate CSR unspent account	(2.15)	(3.80)
<b>Closing balance unspent</b>	<b>-</b>	<b>2.15</b>
- with the Company <sup>s</sup>	-	2.15
- in separate CSR unspent account	-	-

<sup>s</sup>which had been, subsequent to year ended 31 March 2023, transferred to separate unspent CSR account within the timeline in compliance with section 135(6) of the Companies Act, 2013.

## (b) Payment to auditors (include Auditors remuneration paid/ payable for the year):

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>As Auditors</b>		
i) audit fees (including ₹1.50 Mn additional fees in respect of audit of financial statements for the year ended 31 March 2023)	6.50	5.00
ii) limited review	2.48	2.48
iii) tax audit fees	0.60	0.60
iv) certification fees	0.13	0.23
v) for reimbursement of expenses	0.51	0.39
<b>Total</b>	<b>10.22</b>	<b>8.70</b>

## Note: 36 Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

### a) Movement in deferred tax liability/ (assets)

#### As at 31 March 2024

Particulars	Charged/ (credited) to			
	Opening	Profit and Loss Account	Other Comprehensive Income	Closing
Property, plant and equipment and intangible assets	20.64	6.82	-	27.46
Investments	32.37	5.02	-	37.39
Right-of-Use Assets	3.46	(1.72)	-	1.74
Others	5.50	(2.18)	1.94	5.26
Allowances for expected credit losses	(29.47)	(7.58)	-	(37.05)
Amounts allowable for tax purpose on payment basis	(27.88)	(4.36)	0.54	(31.70)
Lease liabilities	(4.10)	1.74	-	(2.36)
<b>Total</b>	<b>0.52</b>	<b>(2.26)</b>	<b>2.48</b>	<b>0.74</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 36 Income tax expense (Cond..)

As at 31 March 2023

Particulars	Charged/ (credited) to			Closing
	Opening	Profit and Loss Account	Other Comprehensive Income	
Property, plant and equipment and intangible assets	16.19	4.45	-	20.64
Investments	41.22	(8.85)	-	32.37
Right-of-Use Assets	2.13	1.33	-	3.46
Others	9.75	(4.25)	-	5.50
Allowances for expected credit losses	(12.98)	(16.49)	-	(29.47)
Amounts allowable for tax purpose on payment basis	(29.88)	3.25	(1.25)	(27.88)
Lease liabilities	(2.54)	(1.56)	-	(4.10)
<b>Total</b>	<b>23.89</b>	<b>(22.12)</b>	<b>(1.25)</b>	<b>0.52</b>

## b) Income Tax Expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax</b>		
Current tax on profits for the year	389.02	379.93
Adjustments for current tax of prior periods	(13.99)	-
<b>Total current tax expense</b>	<b>375.03</b>	<b>379.93</b>
<b>Deferred tax</b>		
Decrease/ (increase) in deferred tax assets	(10.20)	(14.80)
(Decrease)/ increase in deferred tax liabilities	7.94	(7.32)
<b>Total deferred tax expense/ (benefit)</b>	<b>(2.26)</b>	<b>(22.12)</b>
<b>Total tax expense</b>	<b>372.77</b>	<b>357.81</b>

## c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	1,637.78	1,496.01
<b>Tax at the Indian tax rate of 25.17% (31 March 2023: 25.17%)</b>	<b>412.20</b>	<b>376.52</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible in tax	8.03	7.58
Fair value adjustments on certain investments on which deferred tax not created	-	(9.41)
Items on which tax rate is different	(31.60)	(14.35)
Adjustments for current tax of prior periods	(13.99)	-
Others	(1.87)	(2.53)
<b>Total tax expense</b>	<b>372.77</b>	<b>357.81</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 37 Related Party Transactions

### Related party disclosure pursuant to Ind AS 24 prescribed under the Act

#### Details of related parties:

Description of relationship	Names of related parties
<b>Where control exist</b>	
(a) Holding Company	Nihal Fiscal Services Private Limited
(b) Subsidiaries	Tega Industries, Inc. Tega Industries Australia Pty. Ltd. Tega Industries Canada Inc. Tega Investments Limited (till 14 November 2022) Tega Do Brasil Servicos Technicos Ltda Tega Holdings Pte Limited Tega Equipments Private Limited (from 2 December 2022 till 29 March 2023) Tega McNally Minerals Limited (formerly known as McNally Sayaji Engineering Limited) (subsidiary of Tega Equipments Private Limited from 24 February 2023 to 29 March 2023 and direct subsidiary from 29 March 2023)
(c) Step down subsidiaries	Tega Investments South Africa Proprietary Limited Tega Industries Africa Proprietary Limited Tega Holdings Pty Ltd Losugen Pty Ltd Tega Industries Chile SpA MBE Coal & Mineral Technologies Private Limited (from 24 February 2023 to 29 March 2023) Edoctum S.A. Edoctum Peru S.A.C. (till 20 January 2024) Tega Industries Peru SAC (from 23 January 2024)
<b>Others with whom transaction taken place during the year or previous year</b>	
(a) Fellow Subsidiaries	Maple Orgtech (India) Limited MM Aqua Technologies Limited
(b) Joint Venture	Hosch Equipment (India) Limited
(c) Key Management Personnel (KMP)	Madan Mohan Mohanka - Chairman and Whole-time Director Mehul Mohanka - Managing Director Syed Yaver Imam - Whole Time Director Jagdishwar Prasad Sinha - Independent Director Madhu Dubhashi - Independent Director Ashwani Maheshwari - Independent Director Manoj Kumar Agarwal - Chief Financial Officer (till 31 January 2023) and Company Secretary (till 6 August 2022) Manjuree Rai - Company Secretary (from 7 August 2022) Sharad Kumar Khaitan - Chief Financial Officer (from 10 July 2023)
(d) Relatives of KMP	Manju Mohanka Manish Mohanka
(e) Post Employment Benefit Plan	Tega India Ltd Employees Gratuity Fund Tega India & Associate Companies Super Annuation Fund Tega Industries (SEZ) Ltd Gratuity Trust Tega Industries (SEZ) Ltd Super Annuation Fund
(f) Entities in which KMP/ Relatives of KMP can exercise significant influence	TPW Engineering Limited Marudhar Food and Credit Limited (merged with Nihal Fiscal Services Private Limited w.e.f. 14 June 2023)

**Note:** Related parties have been identified by the Management.



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 37 Related Party Transactions (Contd..)

### Related party disclosure pursuant to Ind AS 24 prescribed under the Act

#### Related Party Transaction for the year ended 31 March 2024:

Particulars	Holding Company	Subsidiaries (including stepdown subsidiaries)	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
Business support service income <sup>@</sup>	-	84.70	9.94	0.92	-	-	-	-	95.56
Purchase of goods	-	1.96	0.03	-	-	-	-	-	1.99
Sale of goods	-	2,422.91	14.69	5.60	-	-	-	-	2,443.20
Installation income	-	4.02	-	-	-	-	-	-	4.02
Reimbursement of expenses	-	42.47	-	0.63	-	-	-	-	43.10
Recovery of expenses	-	17.36	1.87	0.66	-	-	-	4.97	24.86
Marketing fee (expenses)	-	149.49	-	-	-	-	-	-	149.49
Interest income	-	15.18	-	-	-	-	-	-	15.18
Dividend income	-	-	11.25	-	-	-	-	-	11.25
Dividend paid	71.66	-	-	-	-	10.76	14.56	2.60	99.58
Sales commission income	-	-	24.27	-	-	-	-	-	24.27
Rent/ Service charges/ Hire charges income	-	-	3.88	-	-	-	-	-	3.88
Rent/ Service charges/ Hire charges expenses	-	-	-	-	-	-	1.12	4.26	5.38
Contribution to post employment benefit plan	-	-	-	-	42.85	-	-	-	42.85
Security deposits given	-	-	-	-	-	-	0.06	-	0.06
Loan given	-	-	-	-	-	-	-	-	-
Corporate guarantee given	-	-	-	-	-	-	-	-	-

<sup>@</sup>includes ₹ 1.45 Mn on account of guarantee (stand-by letter of credit) commission recovered from a stepdown subsidiary and ₹ 5.00 Mn on account of corporate guarantee commission recovered from a subsidiary

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 37 Related Party Transactions (Contd.)

### Related Party Transaction for the year ended 31 March 2023:

Particulars	Holding Company	Subsidiaries (including stepdown subsidiaries)	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/relatives of KMP can exercise significant influence	Total
Business support service income <sup>®</sup>	-	72.68	9.27	2.20	-	-	-	-	84.15
Purchase of goods	-	-	1.72	-	-	-	-	-	1.72
Sale of goods	-	2,156.26	15.36	0.03	-	-	-	-	2,171.65
Installation income	-	3.45	-	-	-	-	-	-	3.45
Reimbursement of expenses	-	103.01	-	0.49	-	-	-	-	103.50
Recovery of expenses	-	10.98	-	3.15	-	-	-	-	14.13
Marketing fee (expenses)	-	134.25	-	-	-	-	-	-	134.25
Interest income	-	9.29	-	-	-	-	-	-	9.29
Dividend income	-	-	5.63	-	-	-	-	-	5.63
Sales commission income	-	-	20.46	-	-	-	-	-	20.46
Rent/ Service charges/ Hire charges income	-	-	3.86	-	-	-	-	-	3.86
Rent/ Service charges/ Hire charges expenses	-	-	-	-	-	-	1.43	5.71	7.14
Contribution to post employment benefit plan	-	-	-	-	21.73	-	-	-	21.73
Security deposits recovered	-	-	-	-	-	-	-	(2.81)	(2.81)
Loan given	-	182.55	-	-	-	-	-	-	182.55
Corporate guarantee given	-	1,000.00	-	-	-	-	-	-	1,000.00

<sup>®</sup> includes ₹ 1.40 Mn on account of guarantee (stand-by letter of credit) commission recovered from a subsidiary

### Other terms and conditions of transactions with related parties:

Transactions related to dividend were on the same terms and conditions that applied to all shareholders. All other transactions were made on normal commercial terms and conditions and at market rates.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 37 Related Party Transactions (Contd..)

### Balances outstanding as at 31 March 2024:

Particulars	Holding Company	Subsidiaries (including stepdown subsidiaries)	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/relatives of KMP can exercise significant influence	Total
Trade receivables	-	675.98	1.10	0.42	-	-	-	-	677.50
Contract assets	-	0.63	-	-	-	-	-	-	0.63
Security deposit	-	-	-	-	-	-	0.17	0.57	0.74
Advance received from customers	-	316.63	-	-	-	-	-	-	316.63
Loans <sup>§</sup>	-	196.00	-	-	-	-	-	-	196.00
Trade payables	-	63.72	-	0.10	-	-	-	0.60	64.42
Advance to suppliers	-	0.21	-	-	-	-	-	-	0.21
Financial liabilities	-	-	0.96	-	-	-	-	-	0.96
Other payables	-	-	-	-	1.16	-	-	-	1.16
Investments in equity shares*	-	5,184.27	150.07	-	-	-	-	-	5,334.34
Standby letter of credit	-	181.93	-	-	-	-	-	-	181.93
Corporate guarantee	-	1,000.00	-	-	-	-	-	-	1,000.00
Provisions	-	-	-	-	11.41	-	-	-	11.41

<sup>§</sup> includes ₹ 13.45 Mn on account of foreign exchange gain.

\* Excluding the impact of impairment loss in the value of investment in a subsidiary ₹ 10.17 Mn

### Balances outstanding as at 31 March 2023:

Particulars	Holding Company	Subsidiaries (including stepdown subsidiaries)	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/relatives of KMP can exercise significant influence	Total
Trade receivables	-	547.03	2.25	1.37	-	-	-	-	550.65
Contract assets	-	35.31	-	-	-	-	-	-	35.31
Security deposit	-	-	-	-	-	-	0.23	0.57	0.80
Advance received from customers	-	22.80	-	-	-	-	-	-	22.80
Loans <sup>§</sup>	-	193.10	-	-	-	-	-	-	193.10
Trade payables	-	98.02	-	0.26	-	-	-	0.55	98.83
Advance to suppliers	-	3.14	-	-	-	-	-	-	3.14
Financial liabilities	-	-	0.96	-	-	-	-	-	0.96
Other payables	-	-	-	-	1.11	-	-	-	1.11

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 37 Related Party Transactions (Contd..)

Particulars	Holding Company	Subsidiaries (including stepdown subsidiaries)	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/relatives of KMP can exercise significant influence	Total
Investments in equity shares*	-	5,184.27	150.07	-	-	-	-	-	5,334.34
Standby letter of credit#	-	210.05	-	-	-	-	-	-	210.05
Corporate guarantee	-	1,000.00	-	-	-	-	-	-	1,000.00
Provisions	-	-	-	-	36.87	-	-	-	36.87

§ includes ₹ 10.55 Mn on account of foreign exchange gain.

\* Excluding the impact of impairment loss in the value of investment in a subsidiary ₹ 10.17 Mn

# Renewed during the previous financial year.

### Other Terms and Conditions of transactions with Related Parties

All outstanding balances are unsecured and repayable in cash

Disclosure pursuant to Section 186(4) of the Companies Act 2013, regarding loans given are mentioned above; disclosures for investment made and guarantee given are mentioned in the respective notes of investment in subsidiaries and joint venture (Refer Note 4), and guarantees (Refer Note 43B).

### Remuneration to KMP

During the year, the Company has recognized an amount of ₹ 166.79 Mn (31 March 2023: ₹ 171.44 Mn) as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Short term employee benefits	126.15	135.40
Post employment benefits	6.32	6.61
Other long term employee benefits	0.65	3.95
<b>Total employee benefits expense</b>	<b>133.12</b>	<b>145.96</b>
Perquisite	1.81	1.24
Sitting fees	1.35	0.80
Commission/ incentive to directors	14.75	9.25
Professional fees	15.76	14.19
<b>Total other expenses</b>	<b>33.67</b>	<b>25.48</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 38 Fair value measurements

### Financial instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Investments				
- Mutual funds and perpetual bonds	2,312.91	-	1,838.12	51.93
Loans	-	196.12	-	193.68
Trade receivables	-	2,338.60	-	2,054.53
Cash and cash equivalents	-	37.71	-	42.11
Other bank balances	-	2.77	-	7.33
Other financial assets	-	18.22	-	51.72
Derivative assets	74.19	-	107.79	-
<b>Total financial assets</b>	<b>2,387.10</b>	<b>2,593.42</b>	<b>1,945.91</b>	<b>2,401.30</b>
<b>Financial liabilities</b>				
Borrowings	-	1,246.52	-	1,581.34
Derivative liabilities	15.40	-	26.30	-
Trade payables	-	822.04	-	608.97
Other financial liabilities	-	46.86	-	40.34
<b>Total financial liabilities</b>	<b>15.40</b>	<b>2,115.42</b>	<b>26.30</b>	<b>2,230.65</b>

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>As at 31 March 2024</b>				
<b>Financial assets</b>				
Investments				
- Mutual funds	2,312.91	-	-	2,312.91
Derivative financial assets	-	74.19	-	74.19
<b>Total financial assets</b>	<b>2,312.91</b>	<b>74.19</b>	<b>-</b>	<b>2,387.10</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	15.40	-	15.40
<b>Total financial liabilities</b>	<b>-</b>	<b>15.40</b>	<b>-</b>	<b>15.40</b>
<b>As at 31 March 2023</b>				
<b>Financial assets</b>				
Investments				
- Mutual funds	1,838.12	-	-	1,838.12
Derivative financial assets	-	107.79	-	107.79
<b>Total financial assets</b>	<b>1,838.12</b>	<b>107.79</b>	<b>-</b>	<b>1,945.91</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	26.30	-	26.30
<b>Total financial liabilities</b>	<b>-</b>	<b>26.30</b>	<b>-</b>	<b>26.30</b>



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 38 Fair value measurements (Contd..)

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. This includes mutual funds that are actively traded at NAVs.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives, fixed maturity mutual funds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

There are no transfers between levels 1, 2 and 3 during the year.

### (ii) Valuation technique used to determine fair value

- Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.
- Investments (Mutual funds) carried at fair value are generally based on available NAVs.
- Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.
- The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.
- Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented below are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

### (iii) Fair value of financial assets and liabilities measured at amortised cost:

Except as detailed in the following table, the management consider the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximates their fair values.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Borrowings	7.75	7.81	10.35	10.48
<b>Total financial liabilities</b>	<b>7.75</b>	<b>7.81</b>	<b>10.35</b>	<b>10.48</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables, investments and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognized financial assets and liabilities not denominated in Indian rupee (₹).	Entering into forward contracts, options and interest rate swaps.
Market risk – interest rate	Long-term borrowings at variable rates.	Entering into derivative contracts such as interest rate swaps and currency swaps.
Market risk – security price risk	Investments in mutual funds and perpetual bonds.	Portfolio diversification.

### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) including deposits with banks, investments and other financial instruments. The Company periodically monitors the recoverability and credit risks of its other financial assets including security deposits and other receivables.

#### i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates. The assumptions and estimates applied for determining credit loss are reviewed periodically. The company also uses lifetime of expected credit loss model based on provisional matrix for estimating the allowance for excepted credit losses.

#### ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amounts of trade receivables, investments, balances with bank and other financial assets.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management (Contd.)

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities 31 March 2024	Carrying Value	Contractual Cash Flows	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>Non-derivatives</b>						
Borrowings	1,246.52	1,246.52	1,066.43	180.09	-	-
Lease liabilities	9.39	27.58	6.73	0.64	0.40	19.81
Other financial liabilities	40.34	40.34	40.34	-	-	-
Trade payables	822.04	822.04	822.04	-	-	-
Interest payable on above borrowings**	6.52	25.47	16.96	8.51	-	-
<b>Total non-derivative financial liabilities</b>	<b>2,124.81</b>	<b>2,161.95</b>	<b>1,952.50</b>	<b>189.24</b>	<b>0.40</b>	<b>19.81</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward/ option/ swap contracts	15.40	15.40	5.91	9.49	-	-
<b>Total derivative liabilities</b>	<b>15.40</b>	<b>15.40</b>	<b>5.91</b>	<b>9.49</b>	<b>-</b>	<b>-</b>

\*\* Based on closing rates

Contractual maturities of financial liabilities 31 March 2023	Carrying Value	Contractual Cash Flows	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>Non-derivatives</b>						
Borrowings	1,581.34	1,581.34	1,191.50	326.32	63.52	-
Lease liabilities	16.30	36.28	8.78	7.18	0.40	19.92
Other financial liabilities	31.04	31.04	31.04	-	-	-
Trade payables	608.97	608.97	608.97	-	-	-
Interest payable on above borrowings**	9.30	53.03	29.67	22.19	1.17	-
<b>Total non-derivative financial liabilities</b>	<b>2,246.95</b>	<b>2,310.66</b>	<b>1,869.96</b>	<b>355.69</b>	<b>65.09</b>	<b>19.92</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward/ option/ swap contracts	26.30	26.30	2.51	7.22	16.57	-
<b>Total derivative liabilities</b>	<b>26.30</b>	<b>26.30</b>	<b>2.51</b>	<b>7.22</b>	<b>16.57</b>	<b>-</b>

\*\* Based on closing rates

- (ii) As of 31 March 2024, the maximum potential liability under financial guarantees (referred in Note 43B) amounted to ₹ 1,181.93 Mn (31 March 2023: ₹ 1,210.05 Mn). Financial guarantees are assumed to be due immediately on invocation.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management (Contd..)

### (C) Market risk

#### (i) Foreign currency risk

The Company deals with foreign currency bank accounts, trade receivables, loans, borrowings, trade payables and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company primarily uses derivatives to hedge its risk against foreign currency balances of borrowings, trade payables and trade receivable and contract assets. Such exposures are managed within approved policy parameters utilising foreign exchange forward contracts and options. Further, the Company also has variable interest rate loan in foreign currency. To manage its risk against interest rate movements the Company has taken an interest rate swap. The Company also enter into derivative contracts to hedge forecast sales and purchase transactions using forward contracts.

#### Foreign currency risk exposure

The Company's exposure to foreign currency risk for major currencies at the end of the reporting period expressed in ₹ (foreign currency amount multiplied by closing rate), are as follows:-

Particulars	As at 31 March 2024										
	CLP	AUD	CAD	EUR	SGD	USD	GBP	SEK	RUB	ZAR	GHS
<b>Financial assets</b>											
Trade receivables <sup>s</sup>	-	17.60	3.16	143.04	-	1,695.46	-	114.34	-	-	-
Loans	-	-	-	-	-	196.00	-	-	-	-	-
Cash and cash equivalents	1.08	0.02	0.03	0.04	0.00 <sup>^</sup>	0.23	0.06	718	0.01	-	0.00 <sup>^</sup>
<b>Offset by derivatives:</b>											
Foreign exchange forward contracts	-	(19.21)	(55.14)	(159.87)	-	(1,797.56)	-	(330.86)	-	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1.08</b>	<b>(1.59)</b>	<b>(51.95)</b>	<b>(16.79)</b>	<b>0.00<sup>^</sup></b>	<b>94.13</b>	<b>0.06</b>	<b>(209.34)</b>	<b>0.01</b>	<b>-</b>	<b>0.00<sup>^</sup></b>
<b>Financial liabilities</b>											
Trade payables	-	-	-	(203.94)	(51.97)	(99.31)	-	(12.51)	-	(1.69)	-
Borrowings	-	-	-	-	-	(387.83)	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	(5.28)	-	-	-	-	-
<b>Offset by derivatives:</b>											
Foreign exchange forward contracts/ Foreign Currency option contracts	-	-	-	80.89	-	387.83	-	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(123.05)</b>	<b>(51.97)</b>	<b>(104.59)</b>	<b>-</b>	<b>(12.51)</b>	<b>-</b>	<b>(1.69)</b>	<b>-</b>
<b>Net exposure</b>	<b>1.08</b>	<b>(1.59)</b>	<b>(51.95)</b>	<b>(139.84)</b>	<b>(51.97)</b>	<b>(10.46)</b>	<b>0.06</b>	<b>(221.85)</b>	<b>0.01</b>	<b>(1.69)</b>	<b>0.00<sup>^</sup></b>

<sup>^</sup>Amount is below the rounding off norm adopted by the Company

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management (Contd..)

Particulars	As at 31 March 2023										
	CLP	AUD	CAD	EUR	SGD	USD	GBP	SEK	RUB	ZAR	GHS
<b>Financial assets</b>											
Trade receivables <sup>§</sup>	-	102.36	9.52	245.21	-	1,428.16	-	-	-	-	-
Loans	-	-	-	-	-	193.10	-	-	-	-	-
Cash and Cash equivalents	1.32	0.01	0.02	0.06	-	3.81	0.03	-	-	-	0.00 <sup>^</sup>
<b>Offset by derivatives:</b>											
Foreign exchange forward contracts	-	(115.14)	(63.90)	(133.86)	-	(1,642.67)	-	-	-	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1.32</b>	<b>(12.77)</b>	<b>(54.36)</b>	<b>111.41</b>	-	<b>(17.60)</b>	<b>0.03</b>	-	-	-	<b>0.00<sup>^</sup></b>
<b>Financial liabilities</b>											
Trade payables	(0.28)	-	-	(38.25)	(59.98)	(93.64)	-	-	-	-	-
Borrowings	-	-	-	(106.89)	-	(603.95)	-	-	-	-	-
Other financial liabilities	-	-	-	(0.58)	-	(6.89)	-	-	-	-	-
<b>Offset by derivatives:</b>											
Foreign exchange forward contracts/ Foreign Currency option contracts	-	-	-	-	-	603.95	-	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>(0.28)</b>	-	-	<b>(145.72)</b>	<b>(59.98)</b>	<b>(100.53)</b>	-	-	-	-	-
<b>Net exposure</b>	<b>1.04</b>	<b>(12.77)</b>	<b>(54.36)</b>	<b>(34.31)</b>	<b>(59.98)</b>	<b>(118.13)</b>	<b>0.03</b>	-	-	-	<b>0.00<sup>^</sup></b>

<sup>^</sup>Amount is below the rounding off norm adopted by the Company

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax										
	CLP	AUD	CAD	EUR	SGD	USD	GBP	SEK	RUB	ZAR	GHS
<b>As at 31 March 2024</b>											
₹ appreciates by 5%*	(0.05)	0.08	2.60	6.98	2.60	0.52	(0.00) <sup>^</sup>	11.09	(0.00) <sup>^</sup>	0.08	(0.00) <sup>^</sup>
₹ depreciates by 5%*	0.05	(0.08)	(2.60)	(6.98)	(2.60)	(0.52)	0.00 <sup>^</sup>	(11.09)	0.00 <sup>^</sup>	(0.08)	0.00 <sup>^</sup>
<b>As at 31 March 2023</b>											
₹ appreciates by 5%*	(0.05)	0.64	2.72	1.72	3.00	5.91	(0.00) <sup>^</sup>	-	-	-	(0.00) <sup>^</sup>
₹ depreciates by 5%*	0.05	(0.64)	(2.72)	(1.72)	(3.00)	(5.91)	0.00 <sup>^</sup>	-	-	-	0.00 <sup>^</sup>

\* Holding all other variables constant

<sup>^</sup>Amount is below the rounding off norm adopted by the Company

§ The Company also has exposure for contract assets amounting to ₹ 9.94 Mn (in CAD - ₹ 0.63 Mn, in EUR - ₹ 0.23 Mn and in USD - ₹ 9.08 Mn) [31 March 2023: ₹ 35.31 Mn (in CAD - ₹ 15.63 Mn and in USD - ₹ 19.68 Mn)]



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management (Contd..)

### (ii) Price risk

#### (a) Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Company's investments are designated as at fair value through profit or loss at the end of the reporting period.[Refer Note 9].

#### (b) Sensitivity

Company has invested in growth model of these securities as at the year end. The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

Particulars	Impact on profit before tax	
	As at 31 March 2024	As at 31 March 2023
NAV - Increases by 1% *	23.13	18.38
NAV - Decreases by 1% *	(23.13)	(18.38)

\* Holding all other variables constant

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (a) Interest rate risk exposure

##### On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings <sup>#</sup>	1,238.77	1,570.99
<b>Total</b>	<b>1,238.77</b>	<b>1,570.99</b>

<sup>#</sup> Long term borrowings amounting to ₹ 387.83 Mn (31 March 2023: ₹ 603.95 Mn) is covered through interest rates swaps.

#### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax	
	As at 31 March 2024	As at 31 March 2023
Interest expense rates - increase by 50 basis points (50 bps)*	(6.19)	(7.85)
Interest expense rates - decrease by 50 basis points (50 bps)*	6.19	7.85

\* Holding all other variables constant

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Financial risk management (Contd..)

### (iv) Impact of hedging activities

#### (a) Disclosure of effects of hedge accounting on financial position:

##### (i) As at 31 March 2024

Types of hedge and risk	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Weighted average strike rate for out-standing hedging instruments	Change in intrinsic value of out-standing hedging instruments since inception of the hedges	Change in the value of hedged item used to determine hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign exchange risk									
(a) Foreign exchange forward contracts	330.86	-	8.05	-	April 2024 - July 2024	1:1	SEK 1:₹8.06	8.05	(8.05)

\* The foreign currency forwards are denominated in the same currency as the highly probable future sales (SEK); therefore, the hedge ratio is 1:1.

##### (ii) The Company did not enter into any cash flow hedges during the year ended 31 March 2023.

#### (b) Disclosure of effects of hedge accounting on financial performance

##### (i) As at 31 March 2024

Type of hedge	Change in the value of the hedging instrument recognized in other comprehensive income	Hedge ineffectiveness recognized in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
(a) Foreign exchange risk	7.70	0.35	-	Not Applicable

##### (ii) The Company did not enter into any cash flow hedges during the year ended 31 March 2023.

##### (c) The amount recognized in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

	As at 31 March 2024	As at 31 March 2023
<b>Outstanding balance in Cash flow hedge reserve to be subsequently recycled from OCI</b>		
Within one year	5.76	-
Between one and three years	-	-
<b>Total</b>	<b>5.76</b>	<b>-</b>

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	
<b>Computation of earnings per equity share:</b>			
A	Net profit attributable to equity shareholders of the Company	1,265.01	1,138.20
B	<b>Weighted average number of equity shares outstanding during the year other than which are dilutive</b>	6,64,50,328	6,63,02,669
	<b>Weighted average number of equity shares outstanding during the year which are dilutive</b>		
C	Effect of potential ordinary shares on employee stock options outstanding	1,90,525	3,22,271
D=(B+C)	<b>Weighted average number of equity shares outstanding during the year (dilutive)</b>	6,66,40,853	6,66,24,940
	<b>Earnings per equity share</b> (Face Value ₹ 10/- per share)		
A/B	Earnings per share - Basic (in ₹)	19.04	17.17
A/D	Earnings per share - Diluted (in ₹)	18.98	17.08

## Note: 41 Capital management

### (a) Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### (b) Dividends paid and proposed

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Equity shares</b>		
(i) <b>Dividend declared and paid during the year</b>		
Final dividend paid during the year	132.90	-
(ii) <b>Proposed dividends not recognized at the end of the reporting period</b>		
The Directors have recommended the payment of ₹ 2 per equity share of ₹ 10 each for the year ended 31 March 2024 (31 March 2023: ₹ 2). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	133.07	132.71

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 41 Capital management (Contd..)

### (c) Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the year ended 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents	37.71	42.11
Non-current borrowings	(180.09)	(389.84)
Current borrowings	(850.94)	(967.04)
Current maturities of long term borrowings	(215.49)	(224.46)
Lease liabilities	(9.39)	(16.30)
Net derivative assets (Swap and Option)	53.84	70.69
Interest accrued on long term borrowings	(5.28)	(6.89)
Interest accrued on short term borrowings*	(0.58)	(1.93)
<b>Total</b>	<b>(1,170.22)</b>	<b>(1,493.66)</b>

\* Net-off interest receivable on account of subvention of interest of ₹ 0.66 Mn (31 March 2023: ₹ 0.48 Mn)

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Net derivative assets (Swap and Option)	
<b>Net debt as at 1 April 2023*</b>	<b>42.11</b>	<b>(621.19)</b>	<b>(968.97)</b>	<b>(16.30)</b>	<b>70.69</b>	<b>(1,493.66)</b>
Cash flows	(3.85)	188.70	110.15	-	-	295.00
Principal repayment of lease	-	-	-	6.91	-	6.91
Interest expense	-	(45.53)	(59.92)	(1.11)	-	(106.56)
Interest paid	-	47.14	61.09	1.11	-	109.34
Subvention interest received	-	-	-	-	-	-
Payment on derivative settlement (net)	-	-	-	-	(31.20)	(31.20)
<b>Non-cash movements:</b>	-	-	-	-	-	-
Unrealised foreign exchange	(0.55)	30.02	6.13	-	-	35.60
Other adjustments for lease	-	-	-	-	-	-
Derivative gain (net)	-	-	-	-	14.35	14.35
<b>Net debt as at 31 March 2024*</b>	<b>37.71</b>	<b>(400.86)</b>	<b>(851.52)</b>	<b>(9.39)</b>	<b>53.84</b>	<b>(1,170.22)</b>

\*balances include interest accrued on borrowings

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Net derivative assets (Swap and Option)	
<b>Net debt as at 1 April 2022*</b>	<b>29.39</b>	<b>(781.07)</b>	<b>(907.21)</b>	<b>(10.05)</b>	<b>40.53</b>	<b>(1,628.41)</b>
Cash flows	10.45	190.30	(44.12)	-	-	156.63
Principal repayment of lease	-	-	-	9.14	-	9.14
Interest expense	-	(44.95)	(46.92)	(2.46)	-	(94.33)
Interest paid	-	41.63	46.38	2.46	-	90.47
Subvention interest received	-	-	(6.58)	-	-	(6.58)
Payment on derivative settlement (net)	-	-	-	-	(6.96)	(6.96)
<b>Non-cash movements:</b>	-	-	-	-	-	-
Unrealised foreign exchange	2.27	(27.10)	(10.52)	-	-	(35.35)
Other adjustments for lease	-	-	-	(15.39)	-	(15.39)
Derivative gain (net)	-	-	-	-	37.12	37.12
<b>Net debt as at 31 March 2023*</b>	<b>42.11</b>	<b>(621.19)</b>	<b>(968.97)</b>	<b>(16.30)</b>	<b>70.69</b>	<b>(1,493.66)</b>

\*balances include interest accrued on borrowings

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 42 Segment Information

The Company is engaged in the business of manufacturing and distribution of specialized 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining and bulk solids handling industry. In accordance with Ind AS 108 "Operating Segments", the Company has presented the segment information on the basis of its consolidated financial statements.

## Note: 43A Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Contingent liabilities - Claims against the company not acknowledged as debt</b>		
Disputed Excise Duty	4.37	14.75
Disputed Service Tax	1.30	3.08
Disputed Income Tax	66.38	64.99
Disputed Sales Tax	4.36	6.56

In respect of the contingent liabilities mentioned above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any.

## Note: 43B Guarantees and Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(i) Guarantees</b>		
1) Stand-by letter of credit given by the Company to secure the financial assistance extended to step down subsidiary#		
Limit USD 3.55 Mn* (31 March 2023: USD 3.55 Mn*)	295.67	291.29
Facility utilised at year end USD 2.18 Mn* (31 March 2023: USD 2.56 Mn*)	181.93	210.05
*based on closing rates		
2) Corporate Guarantee given by the company to secure the financial assistance extended to a subsidiary company		
Limit	1,200.00	1,200.00
Facility utilised at year end	1,000.00	1,000.00
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for.	36.28	37.23

# exclusive charge of stand-by letter of credit over certain mutual funds given on lien as on 31 March 2023. Refer Note 9.

In respect of matters mentioned in Note (i) above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Company does not expect any reimbursements in respect of the above contingent liabilities.

## Note: 43C

The Company has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated 20 March 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. While further clarification on applicability and operation of the Order is awaited from the Provident Fund authorities, based on estimates by the management, the impact of the Order is not expected to be material on the standalone financial statements. The management will continue to assess the impact of further developments relating to retrospective application of the Supreme Court's judgement considering the additional guidance as and when issued by the statutory authorities.



# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 44 Details of research and development expenditure recognized as an expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employee benefits expense	48.23	47.53
Travelling expenses	6.91	1.89
Product development	0.75	0.81
Patent cost	3.94	0.80
Telephone and cell phone	-	0.01
<b>Total</b>	<b>59.83</b>	<b>51.04</b>

## Note: 45 Ratios elements and its analysis

### (i) Ratios

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	% change
(a) Current Ratio (in times)	2.46	2.37	3.80%
(b) Debt-Equity Ratio (in times)*	0.11	0.15	-26.67%
(c) Debt Service Coverage Ratio (in times)	5.16	4.71	9.55%
(d) Return on Equity Ratio (%)	11.04%	11.04%	0.00%
(e) Inventory Turnover Ratio (in times)#	1.49	2.17	-31.34%
(f) Trade Receivables Turnover Ratio (in times)	3.03	3.36	-9.82%
(g) Trade Payables Turnover Ratio (in times)	6.57	7.61	-13.67%
(h) Net Capital Turnover Ratio (in times)	1.68	2.05	-18.05%
(i) Net Profit Ratio (%)	17.17%	15.92%	7.85%
(j) Return on Capital Employed (%)	13.72%	13.41%	2.31%
(k) Return on Investment (%)	12.00%	12.10%	-0.83%

\* The variation in debt-equity ratio as at 31 March 2024 as compared to 31 March 2023 is primarily due to repayment of borrowings.

# The variation in inventory turnover ratio is due to higher closing stock as at 31 March 2024.

### (ii) Elements of ratios

Particulars	Numerator	Denominator
(a) Current Ratio	Current Assets	Current Liabilities
(b) Debt-Equity Ratio	Total Debt = Current borrowings + Non-Current borrowings + Current lease liabilities + Non-Current lease liabilities	Total Equity
(c) Debt Service Coverage Ratio	Profit for the year + Finance costs + Depreciation and amortisation expenses	Interest and Lease Payments + Principal Repayments
(d) Return on Equity Ratio	Profit for the year	Total Equity
(e) Inventory Turnover Ratio	Cost of materials consumed + Changes in inventories of finished goods and work-in-progress	Closing Inventory
(f) Trade Receivables Turnover Ratio	Revenue from Sale of Products and Sale of Services	Closing Trade Receivables
(g) Trade payables Turnover Ratio	Purchases + Other Expenses-(Bank charges + Directors' sitting fees + Allowance for expected credit loss + Warranty Expenses + Rates and taxes + Derivatives at FVTPL + Expenditure on corporate social responsibility activities + Net loss on sale of property, plant and equipment + Provision for diminution in value of investment)	Closing Trade Payables

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 45 Ratios elements and its analysis (Contd..)

Particulars	Numerator	Denominator
(h) Net capital Turnover Ratio	Revenue from Sale of Products and Sale of Services	Working Capital (Current Assets - Current Liabilities)
(i) Net Profit Ratio	Profit for the year	Revenue from Operations
(j) Return on Capital Employed	Profit before tax + Finance costs	Capital Employed = Total Equity + Total Debt + Deferred Tax Liabilities + Lease Liabilities
(k) Return on Investment	Profit before tax + Finance costs	Closing Total Assets

## Note: 46 Share-based payments

(a) The share-based payment plan is an employee option plan. The options are equity settled options.

### (b) Set out below is the summary of options

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Average exercise price/ share in ₹	No. of options	Average exercise price/ share in ₹	No. of options
Opening balance	39.38	2,96,288	38.91	3,57,251
Granted during the year	-	-	-	-
Exercised during the year	30.77	1,81,380	36.66	60,963
Expired during the year	52.96	1,14,908	-	-
Forfeited during the year	-	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>39.38</b>	<b>2,96,288</b>
<b>Vested and exercisable</b>	<b>-</b>	<b>-</b>	<b>39.38</b>	<b>2,96,288</b>

### (c) Share options outstanding at the end of the year have the following exercise period and exercise prices:

Grant	Grant Date	Exercise period	Exercise Price/ Share in ₹	Share Options as on 31 March 2024	Share Options as on 31 March 2023
Grant I	04-Mar-11	2 years from the date of listing	30.77	-	2,13,669
Grant II	04-Mar-11	2 years from the date of listing	30.77	-	27,371
Grant III	16-Nov-12	2 years from the date of listing	76.92	-	27,196
Grant IV	02-Jul-13	2 years from the date of listing	76.92	-	18,707
Grant V	28-Jan-15	2 years from the date of listing	76.92	-	9,345

\* The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2024 was ₹ 981.23 (31 March 2023 : ₹ 517.31)

### (d) Contractual life of options

Grant	Grant Date	Expiry Date	Exercise Price/ Share in ₹	Share Options as on 31 March 2024	Share Options as on 31 March 2023
Grant I	04-Mar-11	13-Dec-23	30.77	-	2,13,669
Grant II	04-Mar-11	13-Dec-23	30.77	-	27,371
Grant III	16-Nov-12	13-Dec-23	76.92	-	27,196
Grant IV	02-Jul-13	13-Dec-23	76.92	-	18,707
Grant V	28-Jan-15	13-Dec-23	76.92	-	9,345

Weighted average remaining contractual life of options outstanding at end of period (in years) - 0.70

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 46 Share-based payments (Contd..)

### (e) Fair value of options granted

No grants were issued during the year.

### (f) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognized in profit or loss as part of employee benefit expense were Nil (31 March 2023: Nil).

- (g) The existing Employee Stock Option Scheme 2011 has been aligned with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 and the same was approved in Board Resolution dated 11 February 2022 and shareholder's resolution vide postal ballot dated 3 April 2022. The Company has received in-principle approval from the stock exchange for the said scheme. During the current year 181,380 (31 March 2023: 60,963) equity shares has been exercised.

## Note 47

Pursuant to an order pronounced by the Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT") on 24 February 2023, the Company through its wholly-owned subsidiary Tega Equipments Private Limited ("TEPL"), completed the acquisition of Tega McNally Minerals Limited ("TMML") (formerly known as McNally Sayaji Engineering Limited) under the Corporate Insolvency Resolution Process ("CIRP") of the Insolvency and Bankruptcy Code 2016 ("Code"). Vide the same order, Hon'ble NCLT of Kolkata also approved the merger of TEPL with TMML and consequently TMML had become a direct wholly-owned subsidiary of the company.

The Company had given a loan amounting to ₹ 655.69 Mn to TEPL for acquisition of TMML. Subsequently, TEPL got merged into TMML on 29 March 2023 and the aforesaid loan was converted into investments in TMML.

## Note: 48 Reconciliation of quarterly bank returns

### For the year ended 31 March 2024

The Company has filed quarterly returns/ statements with the banks in lieu of the sanctioned working capital facilities which are in agreement with the books of accounts. Quarterly returns/ statements for the quarter ended 31 March 2024 is yet to be filed by the Company, as the same is not yet due.

### For the year ended 31 March 2023

Quarter	Particulars	Name of the bank	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference	Reason for difference
30 June 2022	Trade receivables and contract assets	Working Capital Lenders*	1,927.72	1,863.26	(64.46)	Refer note below

\* ICICI Bank Limited, Standard Chartered Bank, Axis Bank Limited, RBL Bank Limited and CITI Bank N.A are represented as Working Capital Lenders.

Quarterly returns/ statements for the quarter ended 31 March 2023 was not filed by the Company till the approval of financial statements for the year ended 31 March 2023, as the same was not due.

### Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 49 Additional disclosures relating to investments in subsidiaries and joint ventures

Set out below are the list of subsidiaries and a joint venture of the Company as at 31 March 2024 and 31 March 2023. These investments are carried at cost less impairment, if any. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Particulars	Principal place of Business/ Country of Incorporation	Ownership Interest in percentage	
		As at 31 March 2024	As at 31 March 2023
<b>Subsidiaries</b>			
Tega Industries, Inc.	USA	100%	100%
Tega Industries Australia Pty. Ltd.	Australia	100%	100%
Tega Industries Canada Inc.	Canada	100%	100%
Tega Investments Limited*	The Bahamas	-	-
Tega Do Brasil Servicos Technicos Ltda	Brazil	99.99%	99.99%
Tega Holdings Pte Limited	Singapore	100%	100%
Tega Equipments Private Limited®	India	-	-
Tega McNally Minerals Limited# (formerly known as McNally Sayaji Engineering Limited)	India	100%	100%
<b>Subsidiaries of a Subsidiary</b>			
Tega Holdings Pty Ltd	Australia	100%	100%
Losugen Pty Ltd	Australia	100%	100%
Tega Industries Chile SpA	Chile	100%	100%
Edoctum S.A.	Chile	99.89%	99.89%
Edoctum Peru S.A.C. (till 20 January 2024)	Peru	-	100%
Tega Industries Peru SAC (from 23 January 2024)	Peru	100%	-
Tega Investments South Africa Proprietary Limited	South Africa	100%	100%
Tega Industries Africa Proprietary Limited	South Africa	100%	100%
MBE Coal & Mineral Technologies Private Limited§	India	-	-
<b>Joint Venture</b>			
Hosch Equipment (India) Limited	India	50%	50%

\*till 14 November 2022

®from 2 December 2022 till 29 March 2023

#subsidiary of Tega Equipments Private Limited from 24 February 2023 to 29 March 2023 and direct subsidiary from 29 March 2023

§from 24 February 2023 till 29 March 2023

## Note: 50 Additional regulatory information

- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

# Notes to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 50 Additional regulatory information (Contd..)

- (e) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (f) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (g) The Company has complied with the number of layers as prescribed under the Companies Act, read with the Companies (Restriction on number of layers) Rules, 2017.
- (h) The Company has not revalued its Property, plant and equipment (including Right-of-Use Assets) or Intangible assets or both during the current or previous year.
- (i) Company has raised funds on short term and long term basis from banks and financial institutions, and have applied the same for the purpose for which they were obtained.
- (j) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - (i) whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (k) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (l) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous year.

### Signature to Note 1 to 50 above.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

For and on behalf of Board of Directors

**Madan Mohan Mohanka**  
Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**  
Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**  
Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**  
Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024





# Consolidated

# Financial Statements

# Independent Auditor's Report

To  
The Members of  
**Tega Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

- We have audited the accompanying Consolidated Financial Statements of Tega Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (refer Note 44 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2024, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Key audit matter

##### Assessment of carrying value of goodwill relating to acquisitions

(Refer Note 2.5 - "Intangible Assets"; Refer Note 2A (ii) - "Critical Estimates and Judgements- Impairment of Goodwill" and Refer Note 5 - "Goodwill", to the Consolidated Financial Statements)

As at March 31, 2024, the consolidated financial statements includes goodwill of ₹ 614.19 million pertaining to acquisition of two subsidiaries in Australia and South Africa in earlier years.

The Group carries the Goodwill at cost less accumulated impairment loss, if any. In accordance with the requirements of Indian Accounting Standard 36 'Impairment of Assets,'

### Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

#### How our audit addressed the key audit matter

Our audit procedures included the following:

- Understanding and evaluating the design and testing the operating effectiveness of internal controls over the impairment assessment;
- Evaluating the Group's accounting policy in respect of impairment assessment of goodwill;
- Perusing the report issued by the external valuation experts engaged by the management and conducting enquiries with them to understand the assumptions considered by them;
- Evaluating the independence, competence and capability of the valuation experts engaged by the management;

Key audit matter	How our audit addressed the key audit matter
<p>Goodwill is tested annually for impairment. The management has allocated the said goodwill to a Cash Generating Unit (CGU), and tested the same for impairment by estimating the recoverable value of the CGU using Discounted Cash Flow (DCF) model with the involvement of an independent valuation expert. Based on such testing, the recoverable amount of the CGU is higher than its carrying amount and accordingly no provision for impairment is considered necessary by the management.</p>	<p>e) Assessing the assumption underlying the cash flow projections and assumptions used in the DCF model and evaluating the mathematical accuracy;</p> <p>f) Together with auditor's valuation experts, testing the appropriateness of the DCF model and key assumptions therein and performing sensitivity analysis over key assumptions to corroborate the recoverable amount of the CGU;</p> <p>g) Assessing adequacy and appropriateness of the presentation and disclosures in the consolidated financial statements.</p>
<p>We considered this as a key audit matter because of the significant carrying value of the goodwill and estimation uncertainty in assumptions used in assessing future cashflows, such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and hence, are inherently uncertain.</p>	<p>Based on the above procedures performed, the management's impairment assessment of the goodwill was considered to be reasonable.</p>

## Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report and Director's Report along with its Annexures, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with

the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its joint venture or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate,
- to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

14. We did not audit the financial statements/ financial information of eleven subsidiaries included in the Consolidated Financial Statements whose financial statements/ financial information reflect total assets of ₹ 15,412.46 million and net assets of ₹ 9,493.03 million as at March 31, 2024, total revenue of ₹ 10,367.92 million, total net profit after tax of ₹ 714.50 million, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 706.27 million and net cash flows amounting to ₹ 410.36 million for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the other auditors/ Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement

of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company and its joint venture taken on record by the Board of Directors of the Holding Company and its joint venture and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group and its joint venture and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint venture – Refer Note 45A and 44(c) to the Consolidated Financial Statements.
  - ii. The Group and its joint venture were not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts. The joint venture did not have any derivative contracts as at March 31, 2024.



- iii. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and its joint venture incorporated in India.
- iv. (a) The respective Managements of the Holding Company, its subsidiary and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in Note 51(j) to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary or joint venture to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such subsidiary or joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the Holding Company, its subsidiary and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the Notes 51(k) to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or such subsidiary or joint venture from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary or joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us for Holding Company and its joint venture and those performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company and its joint venture, is in compliance with Section 123 of the Act. The subsidiary company, incorporated in India, has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Holding Company and its joint venture, which are incorporated in India, whose financial statements have been audited under the Act, have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log is not maintained in case of modification by certain users with specific access and that the audit trail feature has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.

Further, the following remark was included in the audit report dated May 22, 2024, containing an unmodified audit opinion on the statutory financial statements of Tega McNally Minerals Limited (formerly known as McNally Sayaji Engineering Limited), a subsidiary of the Holding Company, incorporated in India whose statutory financial statements have been audited under the Act, issued by an independent firm of Chartered Accountants, which is reproduced as under:

'Based on our examination, including test checks, the company has utilized accounting software with an audit trail (edit log) feature for maintaining its books of account, which has been consistently operated throughout the year for all relevant transactions. During our audit, we did not find any instance of the audit trail feature being tampered with and the audit trail has

been preserved by the company as per statutory requirements for record retention.'

17. The Holding Company, its subsidiary and its joint venture which are companies incorporated in India, have paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner

Kolkata  
May 23, 2024

Membership Number: 058507  
UDIN: 24058507BKGYKG3790

# Annexure A

to the Independent Auditor's Report

**Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Tega Industries Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024**

## Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of Tega Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiary company and its joint venture, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company and its joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to Consolidated Financial Statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial

controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

## Meaning of Internal Financial Controls with reference to financial statements

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

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

8. In our opinion, the Holding Company, its subsidiary company and its joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference

to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company. Our opinion is not modified in respect of this matter.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner

Kolkata  
May 23, 2024

Membership Number: 058507  
UDIN: 24058507BKGYKG3790

# Annexure B

to the Independent Auditor's Report

## Referred to in paragraph 15 of the Independent Auditor's Report of even date to the members of Tega Industries Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024

i. As required by paragraph 3(xxii) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

1. Tega Industries Limited (CIN: L25199WB1976PLC030532) (Holding Company) vide our report dated May 23, 2024 which is reproduced as under:

(i) (c) The title deeds of all the immovable properties [other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, except for the five lease agreements (Refer Note 3(b) (i) to the Standalone Financial Statements)], as disclosed in Note 3(a) on Property, Plant and Equipment to the Standalone Financial Statements, are held in the name of the Company.

Note 3(b)(i) referred above corresponds to Note 3(b)(i) in the Consolidated Financial Statements.

(vii) (a) In our opinion, except for dues in respect of labour welfare fund, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

2. Tega McNally Minerals Limited (formerly McNally Sayaji Engineering Limited) (CIN: U28999WB1943PLC133247) (Subsidiary) vide auditor's report dated May 22, 2024 on the statutory financial statements which is reproduced as under:

(i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the company except for the following:

Description of Property	Gross Carrying Value (₹)	Title deed held in the name of	Whether title deed holder is a promoter director/or employee of promoter/director	Property held since date (Financial Year)	Reason for not being held in the name of the company
Freehold land measuring 10.20 acres located at Kumardhubi disclosed as fixed asset in the Financial Statements	256.16 Lakhs	Title deeds are in the name of erstwhile Holding Company	Erstwhile Promoter	30 <sup>th</sup> November, 1988	The title deeds are in the name of McNally Bird Engineering Company Limited, which was renamed as McNally Bharat Engineering Company Limited with effect from 13 <sup>th</sup> December, 1972. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 <sup>th</sup> July, 2009.



In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Property, Plant & Equipment in the Financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Description of Property	Gross Carrying Value (₹)	Title deed held in the name of	Whether title deed holder is a promoter/director/or employee of promoter/director	Property held since date (Financial Year)	Reason for not being held in the name of the company
Leasehold land measuring 17.01 acres located at Kumardhubi disclosed as fixed asset in the Financial Statements	421.24 Lakhs	Lease deeds are in the name of erstwhile Holding Company	Erstwhile Promoter	13 <sup>th</sup> December, 1972	The title deeds are in the name of McNally Bird Engineering Company Limited which was renamed as McNally Bharat Engineering Company Limited with effect from 13 <sup>th</sup> December, 1972. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 <sup>th</sup> July, 2009
Leasehold land measuring 5 acres located at Asansol disclosed as fixed asset in the Financial Statements	330.06 Lakhs	Lease deeds are in the name of erstwhile Company	Erstwhile Promoter	13 <sup>th</sup> December, 1972	The title deeds are in the name of McNally Bharat Engineering Company Limited. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 <sup>th</sup> July, 2009.

- (ii) (b) As disclosed in Note 19(b) of the Financial Statements, the Company has been sanctioned working capital limit in excess of Rupees Five crores in aggregate from bank which are secured on the basis of security of current assets. The Company has filed quarterly returns with such banks, which are in agreement with the unaudited books of account other than those as set out below:

(Amount Rs. in Lacs)							
Quarter	Particulars	Name of the bank*	Charge created against	Amount as per unaudited books of accounts	Amount as reported in the quarterly returns/statements	Differ-ences	Reason for difference
30-Jun-23	Inventories & Receivables	Working Capital Lenders	Inventories, Receivables and other current assets	12,743.06	12,812.07	69.01	Refer Note 48 to the financial statements
30-Sep-23	Inventories & Receivables	Working Capital Lenders	Inventories, Receivables and other current assets	13,750.99	14,096.72	345.73	
31-Dec-23	Inventories & Receivables	Working Capital Lenders	Inventories, Receivables and other current assets	13,804.80	13,901.00	96.20	

\* Working Capital Lenders represents Axis Bank Limited and DBS Bank Limited

\*\*Quarterly return/ statement for the quarter ended 31 March 2024 is yet to be filed by the Company

\*\*\*The Bank returns were prepared and filed on the basis of provisional financial statement without considering including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the books of accounts and the bank returns which were based on provisional books of accounts.

Note 19(b) and 48 referred above corresponds to Note 24(c) and 50(b) respectively in the Consolidated Financial Statements.

3. Hosch Equipment (India) Limited (CIN: U25192WB1991PLC052259) (Joint Venture) vide auditor's report dated May 21, 2024 on the statutory financial statements which is reproduced as under:

- (i) (c) The title deeds of all the immovable properties [other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee except for one sub-lease and one lease agreement (Refer Note 4(b)(i) to the financial statements)], as disclosed in Note 4(a) to the financial statements, are held in the name of the Company.

Note 4(b)(i) referred above corresponds to Note 44(c)(v) in the Consolidated Financial Statements.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**

Partner

Membership Number: 058507

UDIN: 24058507BKGKYG3790

Kolkata

May 23, 2024

# Consolidated Balance Sheet

as at 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	3,481.71	3,055.19
Right-of-Use Assets	3(b)	1,795.99	1,728.98
Capital work in progress	3(c)	107.18	120.25
Investment property	4	34.09	36.02
Goodwill	5	614.19	624.78
Other intangible assets	3(d)	76.30	37.04
Intangible assets under development	3(e)	1.86	-
Investments accounted for using the equity method	44(c)	311.69	278.67
Financial assets			
(i) Other financial assets	6	60.93	104.68
Current tax assets (net)	7	78.47	119.77
Deferred tax assets (net)	8	189.31	162.45
Other non-current assets	9	13.40	150.79
<b>Total non-current assets</b>		<b>6,765.12</b>	<b>6,418.62</b>
<b>Current assets</b>			
Inventories	10	3,701.48	2,895.93
Financial assets			
(i) Investments	11	2,479.18	1,890.05
(ii) Trade receivables	12(a)	4,472.93	4,031.31
(iii) Cash and cash equivalents	13	863.17	457.21
(iv) Other bank balances	14	3.94	35.77
(v) Loans	15	0.87	0.58
(vi) Other financial assets	16	108.99	107.42
Contract assets	12(b)	9.31	-
Current tax assets (net)	17	60.37	39.03
Other current assets	18	436.03	465.11
<b>Total current assets</b>		<b>12,136.27</b>	<b>9,922.41</b>
<b>Total assets</b>		<b>18,901.39</b>	<b>16,341.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19A	665.35	663.54
Other equity	19C	11,252.84	9,826.38
<b>Equity attributable to the owners of the company</b>		<b>11,918.19</b>	<b>10,489.92</b>
Equity attributable to the owners of the non controlling interest		0.00 <sup>^</sup>	0.00 <sup>^</sup>
<b>Total equity</b>		<b>11,918.19</b>	<b>10,489.92</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	20	1,162.27	1,415.70
(ii) Lease liabilities	3(b)	496.60	417.71
(iii) Other financial liabilities	21	9.49	24.25
Provisions	22	0.53	23.85
Deferred tax liabilities (net)	23	53.32	47.62
<b>Total non-current liabilities</b>		<b>1,722.21</b>	<b>1,929.13</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	24	1,269.17	1,678.85
(ii) Lease liabilities	3(b)	152.11	96.46
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	25	116.92	61.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	25	1,717.02	1,058.04
(iv) Other financial liabilities	26	610.92	204.51
Provisions	27	193.41	179.35
Current tax liabilities (net)	28	187.82	90.71
Other current liabilities	29	1,013.62	552.80
<b>Total current liabilities</b>		<b>5,260.99</b>	<b>3,921.98</b>
<b>Total liabilities</b>		<b>6,983.20</b>	<b>5,851.11</b>
<b>Total equity and liabilities</b>		<b>18,901.39</b>	<b>16,341.03</b>

<sup>^</sup>Amount is below the rounding off norm adopted by the Group

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Bangalore LLP**  
 Firm Registration Number: 007567S/S-200012  
 Chartered Accountants

**Amitesh Dutta**  
 Partner  
 Membership Number: 058507  
 Place: Kolkata  
 Date: 23 May 2024

The accompanying notes are an integral part of this Consolidated Financial Statements

For and on behalf of Board of Directors

**Madan Mohan Mohanka**  
 Chairman  
 DIN: 00049388  
 Place: Kolkata  
 Date: 23 May 2024

**Manjuree Rai**  
 Company Secretary  
 Place: Kolkata  
 Date: 23 May 2024

**Mehul Mohanka**  
 Managing Director  
 DIN: 00052134  
 Place: Kolkata  
 Date: 23 May 2024

**Sharad Kumar Khaitan**  
 Chief Financial Officer  
 Place: Kolkata  
 Date: 23 May 2024

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	30	14,927.14	12,139.72
Other income	31	222.05	206.84
<b>Total income</b>		<b>15,149.19</b>	<b>12,346.56</b>
<b>Expenses</b>			
Cost of materials consumed	32	6,959.60	5,290.97
Changes in inventories of finished goods and work-in-progress	33	(504.46)	(14.76)
Employee benefits expense	34	2,198.63	1,627.01
Finance costs	35	319.54	181.20
Depreciation and amortisation expenses	36	636.82	411.97
Other expenses	37	3,113.65	2,532.36
<b>Total expenses</b>		<b>12,723.78</b>	<b>10,028.75</b>
<b>Profit before share of net profit of joint venture accounted for using equity method and tax</b>		<b>2,425.41</b>	<b>2,317.81</b>
<b>Share of net profit of joint venture accounted for using the equity method</b>	44(c)(iii)	<b>44.32</b>	<b>43.18</b>
<b>Profit before tax</b>		<b>2,469.73</b>	<b>2,360.99</b>
Income tax expense			
- Current tax	38	564.06	487.85
- Deferred tax	38	(32.90)	32.84
<b>Total tax expense</b>		<b>531.16</b>	<b>520.69</b>
<b>Profit for the year (A)</b>		<b>1,938.57</b>	<b>1,840.30</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement gain/ (loss) on post employment defined benefit plans	34.1	(9.07)	(2.74)
(b) Income tax charge related to above	38	2.38	0.67
(c) Share of other comprehensive income of joint venture accounted using the equity method	44(c)(iv)	(0.04)	(0.10)
<i>Items that will be reclassified to profit or loss</i>			
(a) Fair value changes of cash flow hedges	40(iv)	7.70	-
(b) Income tax related to the above	38	(1.94)	-
(c) Exchange differences on translation of foreign operations		(382.02)	20.57
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>(382.99)</b>	<b>18.40</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>1,555.58</b>	<b>1,858.70</b>
<b>Profit is attributable to:</b>			
Owners of Tega Industries Limited		1,938.57	1,840.30
Non- Controlling interests		0.00 <sup>^</sup>	0.00 <sup>^</sup>
		<b>1,938.57</b>	<b>1,840.30</b>
<b>Other Comprehensive income is attributable to:</b>			
Owners of Tega Industries Limited		(382.99)	18.40
Non- Controlling interests		0.00 <sup>^</sup>	0.00 <sup>^</sup>
		<b>(382.99)</b>	<b>18.40</b>
<b>Total Comprehensive income is attributable to:</b>			
Owners of Tega Industries Limited		1,555.58	1,858.70
Non- Controlling interests		0.00 <sup>^</sup>	0.00 <sup>^</sup>
		<b>1,555.58</b>	<b>1,858.70</b>
<b>Earnings Per equity share: [Nominal Value Per Share ₹ 10/-]</b>			
Basic (in ₹)	43	29.17	27.76
Diluted (in ₹)	43	29.09	27.62

<sup>^</sup>Amount is below the rounding off norm adopted by the Group

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

The accompanying notes are an integral part of this Consolidated Financial Statements

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

For and on behalf of Board of Directors

**Amitesh Dutta**  
Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

**Madan Mohan Mohanka**  
Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**  
Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**  
Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**  
Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

## A. Equity share capital

Particulars	(All amount in ₹ million, unless otherwise stated)	
	Note	Amount
<b>As at 1 April 2022</b>		<b>662.93</b>
Changes during the year		
Exercise of options - proceeds received	19A	0.61
<b>As at 31 March 2023</b>		<b>663.54</b>
Changes during the year		
Exercise of options - proceeds received	19A	1.81
<b>As at 31 March 2024</b>		<b>665.35</b>

## B. Other equity

Particulars	Note	Reserve and surplus					Other reserves			Total other equity	Non-controlling interests	Total other equity
		Securities premium	General reserve	Retained earnings	Capital reserve	Share options outstanding account	Foreign Currency Translation Reserve	Cash flow hedge reserve	Total other equity			
<b>Balance as at 1 April 2023</b>	19C	<b>903.79</b>	<b>337.98</b>	<b>7,217.70</b>	<b>1,269.83</b>	<b>0.42</b>	<b>96.66</b>	-	<b>9,826.38</b>	<b>0.00*</b>	<b>9,826.38</b>	
Profit for the year		-	-	1,938.57	-	-	-	-	1,938.57	0.00*	1,938.57	
Other comprehensive income [net of tax]		-	-	(6.73)	-	-	(382.02)	5.76	(382.99)	0.00*	(382.99)	
Additions relating to Acquisition	48	-	-	-	-	-	-	-	-	-	-	
Transfers within equity - exercise of options	47	0.19	-	-	-	(0.19)	-	-	-	-	-	
Share issue expenses		-	-	-	-	-	-	-	-	-	-	
Exercise of options - proceeds received	47	3.78	-	-	-	-	-	-	3.78	0.00*	3.78	
<b>Transaction with owners in their capacity as owners</b>		<b>907.76</b>	<b>337.98</b>	<b>9,016.64</b>	<b>1,269.83</b>	<b>0.23</b>	<b>(285.36)</b>	<b>5.76</b>	<b>11,252.84</b>	<b>0.00*</b>	<b>11,252.84</b>	
Dividend paid	41(b)	-	-	(132.90)	-	-	-	-	(132.90)	-	(132.90)	
<b>Balance as at 31 March 2024</b>		<b>907.76</b>	<b>337.98</b>	<b>9,016.64</b>	<b>1,269.83</b>	<b>0.23</b>	<b>(285.36)</b>	<b>5.76</b>	<b>11,252.84</b>	<b>0.00*</b>	<b>11,252.84</b>	



# Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Note	Reserve and surplus				Other reserves			Non-controlling interests	Total other equity	Total other equity
		Securities premium	General reserve	Retained earning	Capital reserve	Share options outstanding account	Foreign Currency Translation Reserve	Cash flow hedge reserve			
<b>Balance as at 1 April 2022</b>	19C	902.10	337.98	5,380.77	-	0.48	76.09	-	6,697.42	0.00*	6,697.42
Profit for the year		-	-	1,840.30	-	-	-	-	1,840.30	0.00*	1,840.30
Other comprehensive income [net of tax]		-	-	(2.17)	-	-	20.57	-	18.40	0.00*	18.40
Additions relating to Acquisition	48	-	-	-	1,269.83	-	-	-	1,269.83	-	1,269.83
Transfers within equity - exercise of options	47	0.06	-	-	-	(0.06)	-	-	-	-	-
Share issue expenses		-	-	(1.20)	-	-	-	-	(1.20)	-	(1.20)
Exercise of options - proceeds received	47	1.63	-	-	-	-	-	-	1.63	0.00*	1.63
<b>Transaction with owners in their capacity as owners</b>		-	-	-	-	-	-	-	-	-	-
Dividend paid	41(b)	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>		<b>903.79</b>	<b>337.98</b>	<b>7,217.70</b>	<b>1,269.83</b>	<b>0.42</b>	<b>96.66</b>	<b>-</b>	<b>9,826.38</b>	<b>0.00*</b>	<b>9,826.38</b>

\*Amount is below the rounding off norm adopted by the Group

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

**For Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**

Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

The accompanying notes are an integral part of this Consolidated Financial Statements

For and on behalf of Board of Directors

**Madan Mohan Mohanka**

Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**

Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**

Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**

Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024

# Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from Operating Activities</b>		
Profit before tax	2,469.73	2,360.99
Adjustments for:		
Depreciation and amortisation expenses	636.82	411.97
Finance costs	299.51	171.02
Interest income	(41.10)	(9.58)
Allowance for expected credit loss (including bad debts and advances written off)	112.24	128.87
Claims/ liquidating damages	(0.07)	-
Net fair value (gain)/ loss on investments classified at FVTPL	(148.80)	2.23
Net (gain) on sale of investments classified at FVTPL	(25.27)	(95.00)
Mark to market (gain)/ loss on derivative instrument (net)	30.39	(42.25)
Derivative settlement (net)	(77.12)	(6.96)
(Gain) on sale of property, plant and equipment including other intangible assets (net of loss on assets scrapped/ written off)	(3.89)	(0.60)
Share of profit of joint venture accounted for using the equity method	(44.32)	(43.18)
Provision for warranty expenses	20.67	14.58
Provision for slow moving/ non- moving and obsolete inventories	42.88	72.27
Other non cash items	0.61	(0.26)
Effect of unrealised exchange differences (net)	71.95	26.00
<b>Operating profit before working capital changes</b>	<b>3,344.23</b>	<b>2,990.10</b>
<b>Changes in Working Capital:</b>		
(Increase) in Non Current/ Current financial and other assets	(719.05)	(674.65)
(Increase)/ decrease in inventories	(975.16)	119.90
Increase/ (decrease) in Non Current/ Current financial and other liabilities/ provisions	1,291.85	(192.94)
<b>Cash Generated from Operations</b>	<b>2,941.87</b>	<b>2,242.41</b>
Income taxes paid (net of refunds)	(420.45)	(456.90)
<b>Net cash generated from operating activities</b>	<b>2,521.42</b>	<b>1,785.51</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of capital assets	(554.12)	(922.11)
Sale of capital assets	10.24	13.61
Acquisition of a subsidiary	-	(1,397.76)
Payment for purchase of investments	(3,543.90)	(2,022.94)
Proceeds from sale of investments	3,131.86	1,966.66
Deposits with bank placed	(164.96)	(170.20)
Deposits with bank matured	186.94	170.20
Interest received	16.06	18.47
Dividend received from joint venture	11.25	5.63
<b>Net cash (used in) investing activities</b>	<b>(906.63)</b>	<b>(2,338.44)</b>

# Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>C. Cash flow from Financing Activities</b>		
Proceeds from issue of equity shares	5.59	2.24
Proceeds from long term borrowings	-	1,011.38
Repayment of long term borrowings	(268.35)	(249.86)
Proceeds from/ (repayment of) short term borrowings (net)	(400.31)	108.91
Derivative settlement (net)	7712	6.96
Finance cost paid	(238.09)	(132.27)
Finance cost paid on account of lease liabilities	(66.28)	(33.01)
Repayment of lease liabilities	(129.12)	(84.00)
Dividend Paid to equity shareholders	(132.90)	-
<b>Net cash generated from/ (used in) financing activities</b>	<b>(1,152.34)</b>	<b>630.35</b>
<b>Net increase in cash and cash equivalents</b>	<b>462.45</b>	<b>77.42</b>
Cash and cash equivalents at the beginning of the year (Refer Note 13)	457.21	394.97
Exchange differences on translation of foreign currency cash and cash equivalents	(56.49)	(15.18)
<b>Cash and cash equivalents at the end of the year (Refer Note 13)</b>	<b>863.17</b>	<b>457.21</b>

^Amount is below the rounding off norm adopted by the Group

## Notes:

- The above Consolidated Statement of Cash flows has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".
- During the year non-cash transaction from Investing and Financing Activities with respect to acquisition of Right-of-Use Assets with corresponding adjustments to Lease liabilities ₹ 359.97 Mn (31 March 2023: ₹ 253.75 Mn).

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

### Amitesh Dutta

Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

The accompanying notes are an integral part of this Consolidated Financial Statements

For and on behalf of Board of Directors

### Madan Mohan Mohanka

Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

### Mehul Mohanka

Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

### Manjuree Rai

Company Secretary  
Place: Kolkata  
Date: 23 May 2024

### Sharad Kumar Khaitan

Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

## 1. Group Information

Tega Industries Limited ('the holding company') and its subsidiaries (together the 'Group') incorporated in India with its registered office at Godrej Waterside, Tower-II, Office No. 807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata – 700 091 West Bengal, India and is engaged in the business of manufacturing and distribution of specialized 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining, bulk solids handling industry. The group is also engaged in manufacturing and marketing of crushing, screening, grinding, material handling and mineral processing equipments with integrated customer support and after sales service.

The Holding Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Limited (NSE).

The financial statements as at 31 March 2024 present the financial position of the Group.

The consolidated financial statements for the year ended 31 March 2024 were approved and authorised for issue on 23 May 2024.

## 2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

#### (i) Compliance with Ind AS

These consolidated financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the act.

#### (ii) Historical cost convention

The consolidated financial statements have been prepared as going concern on accrual basis and under the historical cost convention except for the following

assets and liabilities which have been measured at fair value :

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- defined benefit plans – plan assets measured at fair value; and
- share-based payments.

#### (iii) Current versus non current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Indian Accounting Standards (Ind AS) and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### (iv) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below) and are effective 1 April 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

## 2.2 Use of estimates

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Estimates are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

## 2.3 Principles of consolidation and equity accounting

### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

### (ii) Interest in Joint Ventures accounted for using equity method.

Under Ind AS 111, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the

joint arrangement. The group only has investment in joint venture.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the consolidated statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from joint venture is recognised as a reduction in the carrying amount of investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investee are changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.6 below.

### (iii) Changes in ownership interests

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

in other comprehensive income are reclassified to consolidated statement of profit and loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where appropriate.

## 2.4 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment including wear parts having estimated useful life of more than one year and deployed at customer site to provide maintenance services are carried at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit and loss.

On transition to Ind AS, the Group has elected to continue with the carrying value of its property plant and equipment measured at the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

### Depreciation

i) Depreciation is calculated using a straight line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as specified by Schedule II to the Act, wherever applicable. The

estimated useful lives of the property, plant and equipment have been presented below:

Class of assets	Estimated useful life (in years)
Buildings	30 - 60 years
Plant and Equipment*	3 - 15 years
Wear Parts (at customer site)*	1 - 2 years
Furniture and Fixtures	10 years
Vehicles	5 - 10 years
Office equipment	5 years
Electrical installation	10 years

\*For these class of assets, based on internal assessment or independent technical evaluation carried out by external valuers, the Group believes that the useful lives as given above best represent the year over which Group expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

ii) Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The assets' residual values and useful lives are reviewed by the management, and adjusted if appropriate, at the end of each reporting period.

## 2.5 Intangible assets

(i) Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses if any. Gains and Losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(ii) Intangible assets (Computer Software) are stated at cost of acquisition net of accumulated amortisation

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

and accumulated impairment losses, if any. Costs associated with maintaining software programs are recognised as an expense as incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of profit and loss.

On transition to Ind AS, the Group has elected to continue with the carrying value of its intangible assets measured at the previous GAAP and use that carrying value as the deemed cost of intangible assets.

## Amortisation

The group amortises computer software and brand using the straight line method over the following periods:

Class of assets	Estimated useful life (in years)
Software	3 years
Brand	5 years

## Research and development expenditure

Research expenditure and development expenditure that do not meet the criteria's mentioned below are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Property, plant and equipment used in Research and Development are capitalised.

Development costs are recognised as intangible assets when the following criteria are met:

1. it is technically feasible to complete the intangible asset so that it will be available for use
2. management intends to complete the intangible asset and use or sell it
3. there is an ability to use or sell the intangible asset
4. it can be demonstrated how the intangible asset will generate probable future economic benefits
5. adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available, and
6. the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

## 2.6 Impairment

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the consolidated statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value 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 in the consolidated statement of profit and loss immediately.

## 2.7 Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and is not occupied by the group, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All repair and maintenance cost are expensed when incurred. When part of Investment property is replaced, the carrying amount of the replaced part is derecognised.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

On transition to Ind AS, the group has elected to continue with the carrying value of its investment properties measured at the previous GAAP and use that carrying value as the deemed cost of investment properties.

## 2.8 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired.

The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the

rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated statement of profit and loss or other comprehensive income, as appropriate.

## 2.9 Financial instruments

The financial assets are classified in the following categories:

- (i) financial assets measured at amortised cost,
- (ii) financial assets measured at fair value through profit or loss (FVTPL), and
- (iii) financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms of the cash flow. For assets measured at fair value, gains and losses will either be recorded in consolidated statement of profit and loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Regular purchases and sales of financial assets are recognised on trade-date, being the date on which the group commits to purchase or sale the financial asset.

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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## Investment in debt instruments

Subsequent measurement of debt instruments depends on the Group's model of managing the assets and cash flow characteristics of the asset. There are three measurement categories in which the Group classifies its debt instruments.

### Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets are included in Other Income using the effective interest rate method. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of profit and loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the consolidated statement of profit and loss.

### Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit and loss.

### Financial assets measured at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in the consolidated statement of Profit and Loss in the

period in which it arises. Interest income from these financial assets are included in other income.

Investments in units of mutual funds are subsequently measured at FVTPL and the changes in fair value are recognised in the consolidated statement of profit and loss.

### De-recognition of financial asset

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments, if any, with original maturities of three months or less that are readily convertible to known amount of cash and subject to an insignificant change in value.

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## Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing component. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

## Financial liabilities

### Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### Trade and other payables

Trade and other payables represent current liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of

recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

### De-recognition of financial liabilities

A financial liability (or a part of financial liability) is de-recognised from Group's Consolidated Balance Sheet when obligation specified in the contract is discharged, or cancelled, or expired.

### Derivative instruments and hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. The Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps and options.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Net mark to market gains/ losses on derivatives taken by the Group are recorded in other income/ expenses respectively.

The Group adopts hedge accounting for forward foreign exchange contracts wherever possible. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated statement of profit and loss.

### When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised



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directly in other comprehensive income and the ineffective portion is recognised in the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated statement of profit and loss for the period.

## 2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Group or the counterparty.

## 2.11 Government grants

- (i) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.
- (ii) Government grants relating to income are deferred and recognised in the consolidated statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

## 2.12 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises

cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labours and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted-average cost method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.13 Revenue recognition

Revenue shall be recognised 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 and services.

### Sale of goods

Sales are recognised when control of the products has been transferred to the buyer, being when the products are dispatched/ delivered to the customer depending on the contract terms. This occurs when the products have been shipped or delivered to the specific location as the case may be, the risk of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance has been satisfied. Revenue from contract with customers is primarily recorded at a point in time. Revenue is recognised based on the price specified in the contract.

### Maintenance Services

The Group provides maintenance services to its customers. Given the continuous nature of such services throughout the contract period, revenue is recognised on such maintenance contracts overtime since the customer simultaneously receives and consumes benefits over the contract period. The measure of the progress is based on the costs of actual services provided as a proportion of the costs of total services to be rendered. The Group uses its property, plant and equipment including wear parts deployed at customer site which are owned and controlled by the Group to provide such maintenance services.

### Sale of services

Revenue from service contracts are recognised in the accounting period in which services are rendered. Some contracts include multiple performance obligations, such as sale of product and certain related services. However, the services are simple, does not include an integration service

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and could be performed by another party. It is therefore accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on the expected cost plus margin. If contracts include the installation of product, revenue for the product is recognized at a point in time when the product is delivered, the legal title has passed and the customer has accepted the product.

A receivable is recognised when the goods are dispatched or delivered, depending on the contract terms, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract asset is recognised in respect of those performance obligations where the control of the goods has been transferred to the buyer, and only delivery of the goods is pending. In these cases the consideration is due after the shipping obligation is complete, accordingly these are classified as contract assets as the consideration is conditional on something other than the passage of time.

The group generally does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The group generally provides for warranties which are assurance-type warranties under Ind AS 115, and are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

## 2.14 Other Income

### Interest:

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and recognised in the consolidated statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### Dividend:

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the consolidated statement of profit and loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

## 2.15 Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they are incurred.

## 2.16 Foreign currencies translation

### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These consolidated financial statements of the Group are presented in Indian rupees (₹), which is the functional currency of the parent and the presentation currency for the financial statements.

### Transaction and balances

Transactions in foreign currencies are translated into the functional currency at exchange rates prevailing on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in Consolidated Statement of Profit and Loss.

Monetary assets and liabilities related to such foreign currency transactions at the end of the year are translated at year end exchange rates and are generally recognised in the consolidated statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated

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at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

## Foreign operations

The result and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. Assets and liabilities are translated at the closing rate at the date of the Consolidated Balance Sheet.
2. Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
3. All resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate in effect at the balance sheet date.

## 2.17 Employee benefits

### a) Short-term employee benefits:

Short-term employee benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered.

### b) Defined contribution plans

#### Provident Fund

This is a defined contribution plan for certain employees and contributions are remitted to Provident Fund authorities in accordance with relevant statute and charged to the consolidated statement of profit and loss in the period in which the related employee services are rendered. The group has no further obligations for future Provident Fund benefits other than its monthly contributions.

#### Superannuation Fund

This is a defined contribution plan. The Group contributes a certain percentage of the eligible salary for employees covered under the scheme towards superannuation fund administered by the Trustees. The Group has no further obligations for future superannuation benefits other than its contributions and recognizes such contributions as expense in the period in which the related employee services are rendered.

### c) Defined benefit plans

#### Gratuity

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

#### Provident Fund

With respect to one of the subsidiary, certain employees of the group receive provident fund benefits, which are administered by the independent Provident Fund Trust. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employees and the group make monthly contributions at specified percentage of the employee's salary to such Provident Fund Trust. The group has an obligation to fund any shortfall in return on plan assets over the interest rates prescribed by the authorities from time to time. In view of the group's obligation to meet the shortfall, there is a defined benefit plan. Actuarial valuation of the group's liability under such scheme is carried out under the Projected Unit Credit method at the year end and the charge/ gain, if any, is recognised in the Consolidated Statement of Profit and Loss.

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## d) Other long-term employee benefits:

### Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the period end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the period end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the period end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end period. Actuarial loss/ gains are recognised in the consolidated statement of profit and loss in the period in which they arise.

## e) Share based payments

Share-based compensation benefits are provided to employees via the Tega Industries Limited Employee Stock Option Scheme namely ESOP Scheme 2011. Employees of the holding company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.18 Current and Deferred Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Holding Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.19 Provision and contingent liabilities

The Group recognises a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. However, provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

### Provision for warranty

The estimated liability for warranty is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence based on corrective actions on product failure.

## 2.20 Earnings per Share

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The executive committee of the parent assesses the financial performance and the position of the Group and they are the chief operating decision maker of the Group.

## 2.22 Leases

### The Group as lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentive received, any initial direct costs and restoration costs.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-



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measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the consolidated statement of profit and loss.

Lease liability is measured at the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Tega Industries Limited, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then

the Group uses that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in the consolidated statement of profit or loss in the period in which the condition that triggers those payments occur.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the consolidated statement of profit and loss.

Payment made towards leases for which non-cancellable term is 12 months or lesser (short-term leases) and low value leases are recognised in the consolidated statement of profit and loss as rental expenses over the tenor of such leases.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the consolidated statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

## 2.23 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the group, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 2A Critical estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement 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.

## (i) Estimation of defined benefit obligation - Note 34.1

The estimate requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Change in these key assumptions can have significant impact on the defined benefit obligation.

## (ii) Impairment of Goodwill - Note 5

Goodwill is tested for impairment at least on annual basis or more frequently when events or change in circumstances indicate that it might be impaired. The recoverable amount of the Cash Generating Unit (CGU) is determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projection based on financial budgets approved by management covering a five year period. The Group uses various assumptions inter-alia growth in the revenue, earnings before Interest, tax depreciation and amortisation (EBITDA), long term growth rates, discount rates to reflect the risk involved.

## (iii) Deferred Taxes - Note 2.18, Note 8 and Note 38

The Group reviews the carrying amount of deferred tax assets at the end of the each reporting period.

## (iv) Impairment of Property, Plant and Equipment and intangible assets - Note 2.6, Note 3(a) and Note 3(d)

The Group estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value which involves estimates and judgements.

## (v) Useful lives of property, plant and equipment and intangible assets - Note 2.4, Note 3(a) and Note 3(d)

The Group reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. Uncertainties in these estimates relates to technical and economic obsolescence that may change the useful

life of property, plant and equipment and intangible assets. This reassessment may result in change in depreciation and amortisation expense in future periods.

## (vi) Fair value measurements of financial instruments - Note 39

This includes financial assets and liabilities, measured using inputs other than quoted prices that are observable for assets and liability, either directly as prices or indirectly derived from prices which involves estimates and judgements.

## (vii) Expected credit loss for trade receivables

Refer note 2.9, Note 12(a) and Note 40(A)(i) for details of critical estimates in expected credit loss for financial instruments carried at amortised cost.

## (viii) Critical judgement in determining the lease term

The Group determines the lease term on the basis of termination and renewal options in various lease contracts where the Group applies its judgements. Refer note 3(b) for details.

## (ix) Allocation of consideration over the fair value of assets and liabilities acquired in a business combination - Note 2.8 and Note 48

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Group. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realised or settled respectively.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 3(a) Property, plant and equipment

Particulars	Gross Block				Depreciation				Net Block		
	As at 1 April 2023	Additions relating to acquisition	Additions during the year	Disposals/ adjustments during the year	Exchange differences	As at 31 March 2024	For the year	On disposals/ adjustments during the year	Exchange differences	As at 31 March 2024	As at 31 March 2023
<b>Tangible assets</b>											
(a) Land	447.73	-	68.13	0.03	(53.31)	462.52	-	-	-	2.62	459.90
(b) Buildings	2,429.09	-	21.37	0.20	(6.49)	2,443.77	65.38	0.13	(2.34)	1,271.98	1,220.02
(c) Plant and equipment (including wear parts)	4,488.76	-	908.91	6.84	(172.77)	5,163.06	350.61	57.61	(83.79)	3,492.81	1,670.25
(d) Furniture and fixtures	220.37	-	26.34	(9.16)	(23.85)	232.02	15.21	(9.17)	(11.28)	163.05	68.97
(e) Vehicles	111.28	-	12.99	12.84	(1.39)	110.04	15.14	9.80	(1.47)	56.99	53.05
(f) Office equipment	119.41	-	10.74	3.83	(5.14)	121.18	8.24	4.21	(4.06)	72.55	48.63
(g) Electrical installation	26.27	-	0.24	(5.79)	0.00 <sup>a</sup>	32.31	1.29	(5.11)	0.00 <sup>a</sup>	23.18	9.12
<b>Total</b>	<b>7,842.92</b>	<b>-</b>	<b>1,048.72</b>	<b>63.79</b>	<b>(262.95)</b>	<b>8,564.89</b>	<b>455.87</b>	<b>57.47</b>	<b>(102.94)</b>	<b>5,083.18</b>	<b>3,481.71</b>
											<b>3,055.19</b>

Particulars	Gross Block				Depreciation				Net Block		
	As at 1 April 2022	Additions relating to acquisition	Additions during the year	Disposals/ adjustments during the year	Exchange differences	As at 31 March 2023	For the year	On disposals/ adjustments during the year	Exchange differences	As at 31 March 2023	As at 31 March 2022
<b>Tangible assets</b>											
(a) Land	106.25	63.23	252.55	-	25.70	447.73	0.36	-	-	2.62	445.11
(b) Buildings	779.63	1,658.47	6.84	-	(15.85)	2,429.09	35.62	0.00 <sup>a</sup>	(4.98)	1,209.07	602.99
(c) Plant and equipment	2,311.20	1,682.64	498.50	33.99	30.41	4,488.76	2,216.7	30.98	8.74	3,283.60	826.37
(d) Furniture and fixtures	139.16	61.60	20.45	9.53	8.69	220.37	27.91	7.57	4.32	149.95	74.71
(e) Vehicles	99.48	5.00	29.09	23.15	0.86	111.28	4.81	14.17	15.37	53.12	50.00
(f) Office equipment	91.78	19.97	7.97	0.65	0.34	119.41	18.09	0.49	0.43	72.58	44.59
(g) Electrical installation	11.83	13.70	0.84	0.10	0.00 <sup>a</sup>	26.27	12.59	0.02	0.00 <sup>a</sup>	16.78	9.49
<b>Total</b>	<b>3,539.33</b>	<b>3,504.61</b>	<b>816.24</b>	<b>67.42</b>	<b>50.15</b>	<b>7,842.91</b>	<b>2,697.46</b>	<b>54.43</b>	<b>8.54</b>	<b>4,787.72</b>	<b>3,055.19</b>

<sup>a</sup>Amount is below the rounding off norm adopted by the Group

Plant and Equipment include wear parts of gross block amounting to ₹ 38,749 Mn ( 31 March 2023; Nil), accumulated depreciation amounting to ₹ 74.93 Mn ( 31 March 2023; Nil) and Net block amounting to ₹ 312.56 Mn (31 March 2023; Nil) installed at customer side.

Notes:-

- Refer Note 20 and 24 for Property, plant and equipment pledged as security.
- Contractual obligations Refer to note 45B for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- No proceedings have been initiated on or are pending against the holding company, its subsidiary and its joint venture incorporated in India for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 3(a) Property, plant and equipment (Contd.,)

(iv) Title deeds of all the immovable properties owned by the holding company and it's subsidiaries are held in their respective names except for one subsidiary whose details are given below:

Relevant line item	Class of Assets	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director, relative of promoter, director/ or employee of promoter/director	Property held since which date (Financial Year)	Reason for not being held in the name of the company
Property, plant and equipment	Land	Freehold land measuring 10.20 acres located at Kumardubi disclosed as property, plant and equipment in the Consolidated Financial Statements	68.97*	Title deeds are in the name of erstwhile holding company of the subsidiary company	No	30 November 1988	The title deeds are in the name of McNally Bird Engineering Company Limited which was renamed as McNally Bharat Engineering Company Limited with effect from 13 December 1972. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 July 2009.

\*corresponds to ₹ 256.16 lakhs (historical cost) in the statutory financial statements of the subsidiary company

# Notes to the Consolidated Financial Statements

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(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets

### (a) The Group as a lessee

The Group's significant leasing arrangements include assets dedicated for use under long-term arrangements, lease of land, office space, equipment, vehicles and some IT equipment. Lease of Land have lease term of 60 years, leases of plant and equipment and office equipments have lease terms between 2 to 30 years, offices and guest houses generally have lease terms between 12 months to 60 years and vehicle generally have lease term between 3 years to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. The group also has certain leases of offices and guest houses with lease terms of 12 months or less. The group applies the 'short-term lease' recognition exemptions for these leases. For leases recognised under long term arrangements involving use of a dedicated asset, non-lease components are excluded based on the underlying contractual terms and conditions.

### (b) Amounts recognised in Consolidated Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Right-of-Use Assets</b>		
Land [Refer Note (i) below]	1,028.72	1,026.42
Buildings	235.18	237.42
Plant and equipment	491.59	428.14
Office Equipment	1.10	5.13
Vehicle	39.40	31.87
<b>Total</b>	<b>1,795.99</b>	<b>1,728.98</b>

**Note (i):** Refer note 20 and 24 for Right-of-Use land pledged as security.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Lease Liabilities</b>		
Current	152.11	96.46
Non-Current	496.60	417.71
<b>Total</b>	<b>648.71</b>	<b>514.17</b>

### (c) Following are the changes in carrying value of Right-of-use assets

Particulars	Right-of-Use Land	Right-of-Use Buildings	Right-of-Use Plant and Equipment	Right-of-Use Office Equipment	Right-of-Use Vehicle	Total Right-of-Use Assets
Opening Balance as at 1 April 2023 (At cost)	1,080.31	295.72	536.37	22.31	48.50	1,983.21
Additions relating to acquisition	-	-	-	-	-	-
Additions during the year	25.12	16.94	251.95	1.11	28.30	323.42
Assets disposed/ lease terminated during the year	(1.17)	-	(8.43)	-	-	(9.60)
Exchange differences	-	(0.80)	(121.17)	(0.10)	(7.42)	(129.49)
<b>Balance as at 31 March 2024 (At cost)</b>	<b>1,104.26</b>	<b>311.86</b>	<b>658.72</b>	<b>23.32</b>	<b>69.38</b>	<b>2,167.54</b>



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets (Contd..)

Particulars	Right-of-Use Land	Right-of-Use Buildings	Right-of-Use Plant and Equipment	Right-of-Use Office Equipment	Right-of-Use Vehicle	Total Right-of-Use Assets
<b>Accumulated depreciation as at 1 April 2023</b>	53.89	58.30	108.23	17.18	16.63	254.23
Additions relating to acquisition	-	-	-	-	-	-
Charge for the year #	22.08	19.01	95.37	5.20	15.77	157.43
Assets disposed/ lease terminated during the year	(0.43)	-	(8.43)	-	-	(8.86)
Exchange differences	-	(0.63)	(28.04)	(0.16)	(2.42)	(31.25)
<b>Accumulated depreciation as at 31 March 2024</b>	75.54	76.68	167.13	22.22	29.98	371.55
<b>Carrying amount as at 31 March 2024</b>	1,028.72	235.18	491.59	1.10	39.40	1,795.99

Particulars	Right-of-Use Land	Right-of-Use Buildings	Right-of-Use Plant and Equipment	Right-of-Use Office Equipment	Right-of-Use Vehicle	Total Right-of-Use Assets
<b>Opening Balance as at 1 April 2022 (At cost)</b>	87.44	282.80	295.47	20.07	27.26	713.04
Additions relating to acquisition	992.87	-	-	-	-	992.87
Additions during the year	-	31.89	219.69	2.83	29.05	283.46
Assets disposed/ lease terminated during the year	-	(17.64)	(26.14)	-	(9.03)	(52.81)
Exchange differences	-	(1.33)	47.35	(0.59)	1.22	46.65
<b>Balance as at 31 March 2023 (At cost)</b>	1,080.31	295.72	536.37	22.31	48.50	1,983.21
<b>Accumulated depreciation as at 1 April 2022</b>	5.04	38.14	67.63	12.27	18.05	141.13
Additions relating to acquisition	45.77	-	-	-	-	45.77
Charge for the year #	3.08	22.53	57.54	5.34	7.97	96.46
Assets disposed/ lease terminated during the year	-	(1.54)	(26.14)	-	(9.03)	(36.71)
Exchange differences	-	(0.83)	9.20	(0.43)	(0.36)	7.59
<b>Accumulated depreciation as at 31 March 2023</b>	53.89	58.30	108.23	17.18	16.63	254.23
<b>Carrying amount as at 31 March 2023</b>	1,026.42	237.42	428.14	5.13	31.87	1,728.98

# Included under depreciation and amortisation expense (Refer Note 36)

### (d) Following are the changes in carrying value of lease liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Opening balance</b>	514.17	302.22
Additions relating to acquisition	-	20.70
Additions during the year	359.97	253.75
Finance costs during the year	66.28	33.01
Lease terminated during the year	(0.13)	(16.37)
Lease payments during the year	(195.40)	(117.01)
Exchange differences	(96.18)	37.87
<b>Closing balance</b>	648.71	514.17

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets (Contd..)

### (e) Amounts recognised in the Consolidated Statement of Profit and Loss

The Consolidated Statement of Profit and Loss shows the following amounts relating to leases:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a. Depreciation charge of Right-of-Use Assets (Refer Note 36)	157.43	96.46
b. Interest expense (included in finance costs) (Refer Note 35)	66.28	33.01
c. Expenses relating to short-term leases (included in other expenses) (Refer Note 37)	31.47	32.56
<b>Total</b>	<b>255.18</b>	<b>162.03</b>

(f) The Group had a total cash outflow of ₹ 195.40 Mn for leases for the year ended 31 March 2024 (31 March 2023 ₹ 117.01 Mn).

### (g) Extension and termination options

Extension and termination options are included in the Group's lease contracts. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. In majority of the lease contracts, the extension and termination options held are exercisable by mutual consent of both the lessor and the lessee and in few contracts, the option to terminate the lease is with lessee only.

For determining the lease term Land, Plant & Machinery, office Space and Office Equipments, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The holding company has entered into a long-term lease for an office space which contains further renewal options and only the holding company can terminate the lease giving 6 months notice. Considering the above factors, the termination option with the holding company and the expected period of use, the lease term has been determined as 60 years which is shorter than the contractual duration.

### (h) Residual value guarantees

There are no residual value guarantees in relation to any lease contracts.

(i) The Holding Company has entered into a 36 months leave and license agreement for five office spaces at various locations. These agreement are pending for registration under the Registration Act, 1908.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(b): Right-of-Use Assets (Contd..)

(j) Deeds not in the name of a subsidiary company:

Relevant line item	Class of Assets	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director, relative of promoter, director/ or employee of promoter/director	Property held since which date (Financial Year)	Reason for not being held in the name of the company
Right-of-Use Assets	Right-of-Use Land	Leasehold land measuring 17.01 acres located at Kumardhubi disclosed as Right-of-Use Assets in the Consolidated Financial Statements.	114.41*	Title deeds are in the name of erstwhile holding company of the subsidiary company	No	December 1972	The title deeds are in the name of McNally Bird Engineering Company Limited which was renamed as McNally Bharat Engineering Company Limited with effect from 13 December 1972. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 July 2009.
Right-of-Use Assets	Right-of-Use Land	Leasehold land measuring 5 acres located at Asansol disclosed as Right-of-Use Assets in the Consolidated Financial Statements.	226.30#	Title deeds are in the name of erstwhile holding company of the subsidiary company	No	December 1972	The title deeds are in the name of McNally Bharat Engineering Company Limited. The product division of McNally Bharat Engineering Company Limited was demerged in terms of the approval of the Hon'ble Calcutta High Court on 28 July 2009.

\* corresponds to ₹ 421.24 lakhs (historical cost) in the statutory financial statements of the subsidiary company.

# corresponds to ₹ 330.06 lakhs (historical cost) in the statutory financial statements of the subsidiary company.

# Notes to the Consolidated Financial Statements

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(All amount in ₹ million, unless otherwise stated)

## Note 3(c): Capital work in progress

Particulars	(a)	(b)	(c)	(d)	e = (a+b+c+d)
	As at 1 April 2023	Addition	Capitalisation/ adjustments	Exchange differences	As at 31 March 2024
Capital work in progress	120.25	276.59	(283.12)	(6.54)	107.18

Particulars	(a)	(b)	(c)	(d)	e = (a+b+c+d)
	As at 1 April 2022	Addition	Capitalisation/ adjustments	Exchange differences	As at 31 March 2023
Capital work in progress	101.71	585.13	(568.66)	2.07	120.25

### Notes:

#### (a) Capital work in progress ageing schedule:

##### (i) As at 31 March 2024

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	80.17	25.78	0.32	0.91	107.18
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>80.17</b>	<b>25.78</b>	<b>0.32</b>	<b>0.91</b>	<b>107.18</b>

##### (ii) As at 31 March 2023

Particulars	Amount in Capital work in progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	118.05	0.95	0.42	0.83	120.25
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>118.05</b>	<b>0.95</b>	<b>0.42</b>	<b>0.83</b>	<b>120.25</b>

#### (b) Capital work in progress for which completion is overdue or has exceeded its cost compared to its original plan:

##### (i) As at 31 March 2024

Particulars	To be completed in (as per management estimate)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Automotive Module Industry 4.0	24.01	-	-	-	24.01
Hydraulic Press	6.50	-	-	-	6.50
Joka Factory Shed	4.18	-	-	-	4.18
Quality Check Lab & Office	3.53	-	-	-	3.53
Driver Controller	2.60	-	-	-	2.60
RCC Flooring	2.46	-	-	-	2.46
Others	16.83	-	-	-	16.83
<b>Total</b>	<b>60.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.11</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(c): Capital work in progress (Contd.)

(ii) As at 31 March 2023

Particulars	To be completed in (as per management estimate)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CRM Process Transformation	12.00	-	-	-	12.00
Automation Module Industry 4.0	21.46	-	-	-	21.46
Roof shed life line building	1.38	-	-	-	1.38
Boundary Wall	7.29	-	-	-	7.29
Daylight Modification 6000T Press	15.62	-	-	-	15.62
Desma Machine	10.61	-	-	-	10.61
Others	1.53	-	-	-	1.53
<b>Total</b>	<b>69.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69.89</b>



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(d): Other intangible assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 1 April 2023	Additions relating to acquisition	Disposals during the year	As at 31 March 2024	As at 1 April 2023	Additions relating to acquisition	On disposals during the year	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
<b>Other intangible assets</b>										
(a) Computer software	78.12	-	64.70	136.96	65.86	-	17.17	79.09	57.87	12.26
(b) Technical know-how	1.05	-	-	1.05	1.05	-	-	1.05	-	-
(c) Designs and drawings	225.00	-	-	225.00	225.00	-	-	225.00	-	-
(d) Brand	25.30	-	-	25.30	0.52	-	6.35	6.87	18.43	24.78
<b>Total</b>	<b>329.47</b>	<b>-</b>	<b>64.70</b>	<b>388.31</b>	<b>292.43</b>	<b>-</b>	<b>23.52</b>	<b>312.01</b>	<b>76.30</b>	<b>37.04</b>
<b>Particulars</b>										
<b>Other intangible assets</b>										
(a) Computer software	51.72	20.09	4.08	78.12	37.58	19.79	6.87	65.86	12.26	14.14
(b) Technical know-how	-	1.05	-	1.05	-	1.05	-	1.05	-	-
(c) Designs and drawings	-	225.00	-	225.00	-	225.00	-	225.00	-	-
(d) Brand	-	25.30	-	25.30	-	-	0.52	0.52	24.78	-
<b>Total</b>	<b>51.72</b>	<b>271.44</b>	<b>4.08</b>	<b>329.47</b>	<b>37.58</b>	<b>245.84</b>	<b>7.39</b>	<b>292.43</b>	<b>37.04</b>	<b>14.14</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note 3(e): Intangible assets under development (Contd..)

Particulars	(a)	(b)	(c)	(d)	e= (a+b+c+d)
	As at 1 April 2023	Addition	Capitalisation	Exchange differences	As at 31 March 2024
Intangible assets under development	-	2.32	(0.46)	-	1.86

Particulars	(a)	(b)	(c)	(d)	e= (a+b+c+d)
	As at 1 April 2022	Addition	Capitalisation	Exchange differences	As at 31 March 2023
Intangible assets under development	-	-	-	-	-

### Notes:

#### (a) Intangible assets under development ageing schedule:

##### (i) As at 31 March 2024

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	1.86	-	-	-	1.86
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.86</b>

(ii) There were no intangible assets under development as at 31 March 2023.

#### (b) Intangible assets under development for which completion is overdue or has exceeded its costs compared to its original plan:

##### (i) As at 31 March 2024

Particulars	To be completed in (as per management estimate)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Software Upgradation	1.86	-	-	-	1.86
<b>Total</b>	<b>1.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.86</b>

(ii) There were no intangible assets under development as at 31 March 2023.

## Note: 4 Investment property

Particulars	As at	As at
	31 March 2024	31 March 2023
Land	34.09	36.02
<b>Total</b>	<b>34.09</b>	<b>36.02</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 4 Investment property (Contd..)

### Movement in balances

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cost as at beginning of the year	36.02	40.76
Less: Exchange difference during the year	(1.93)	(4.74)
<b>Cost as at end of the year</b>	<b>34.09</b>	<b>36.02</b>
<b>Net carrying value as at beginning of the year</b>	<b>36.02</b>	<b>40.76</b>
<b>Net carrying value as at end of the year</b>	<b>34.09</b>	<b>36.02</b>

### Fair value of Group's Investment property

The Group has identified its unsecured freehold land at Farm number 110, portion 224, Klippoortjie, Gauteng, South Africa held under title deed number T38235/2009 as investment property. The fair valuation of the property is done by SAIV, (31 March 2023: SAIV) Independent valuer and appraiser for the Master of the Supreme Court (Pretoria) and has the appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. Details of the fair value of the group investment property as at 31 March 2024 and 31 March 2023 are given below:

Particulars	Fair Value as at 31 March 2024	Fair Value as at 31 March 2023
Land	34.09	36.02
<b>Total</b>	<b>34.09</b>	<b>36.02</b>

Fair Value measurement of Investment property is included in Level-3 hierarchy.

The Group has fair valued investment Property for disclosure purpose, however the said investment property is related to one of its foreign subsidiary, hence requirement of valuation of investment property by a registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuation) Rules, 2017 is not applicable.

## Note: 5 Goodwill

Particulars	As at 31 March 2024	As at 31 March 2023
Goodwill on consolidation	614.19	624.78
<b>Total</b>	<b>614.19</b>	<b>624.78</b>

### Movement in balances

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cost as at beginning of the year	624.78	644.89
Add/ less: Exchange difference during the year on translation of Goodwill of foreign subsidiaries	(10.59)	(20.11)
<b>Cost as at end of the year</b>	<b>614.19</b>	<b>624.78</b>
<b>Net carrying value as at beginning of the year</b>	<b>624.78</b>	<b>644.89</b>
<b>Net carrying value as at end of the year</b>	<b>614.19</b>	<b>624.78</b>

The goodwill is attributable to the manufacturing entities in Australia and South Africa. The carrying amount of goodwill for such entities are ₹ 608.44 Mn (31 March 2023: ₹ 618.70 Mn ) and ₹ 5.75 Mn (31 March 2023: ₹ 6.08 Mn) respectively.

The Group has adopted 'value in use' method to determine the carrying value of cash generating unit. The calculations use cash flow projections based on management estimates for the next financial year, and projections are further made for a period of four years.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 5 Goodwill (Contd..)

Cash flow beyond these periods are extrapolated using the estimated growth rates. The key assumptions used by the management are revenue growth rate and discount rate.

The base assumptions considered for testing the goodwill impairment for both the cash generating units are as follows:

- The discounting rate (Post tax) has been taken at 17.90% (31 March 2023: 13.70%) for Australia and 17.30% (31 March 2023: 18.60%) for South Africa.
- The long term growth rate has been taken at 2.00% (31 March 2023: 3.00%) for Australia and 2.00% (31 March 2023: 3.00%) for South Africa.

Management has determined the values assigned to each of the above key assumptions as follows:

### Revenue growth rate

Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development and current industry trends including long-term inflation forecasts for each territory.

### Long-term growth rate

This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

### Post-tax discount rates

Reflect specific risks relating to the relevant segments and the countries in which they operate.

### Other key assumptions

Other key assumptions considered by the management are the costs which are largely dependent on the revenues, and accordingly any change in revenue projections will also impact the costs similarly.

As a result of the above test for impairment the recoverable amount of the CGUs exceeded the carrying value of the CGUs.

Goodwill in the Consolidated Financial Statements primarily consists of goodwill in manufacturing entity in Australia. The recoverable amount of manufacturing entity in Australia (CGU) would equal its carrying amount if the key assumptions were to change as follows:

Particulars	As at 31 March 2024		As at 31 March 2023	
	From	To	From	To
Long-term growth rate (%)	2.00%	(22.98%)	3.00%	(0.30%)
Post-tax discount rate (%)	17.90%	27.98%	13.70%	15.90%

## Note: 6 Other financial assets - non current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	31.60	45.05
<b>Other bank balances</b>		
In deposit account	-	0.04
<b>Derivative assets</b>		
Foreign currency options	22.74	46.48
Interest rate swaps	6.59	13.11
<b>Total</b>	<b>60.93</b>	<b>104.68</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 7 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax (Net of Provision for Income Tax)	78.47	119.77
<b>Total</b>	<b>78.47</b>	<b>119.77</b>

## Note: 8 Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets</b>		
Allowance for expected credit losses	100.53	241.89
Accumulated loss *	144.35	11.12
Amounts allowable for tax purpose on payment basis	25.89	27.89
Lease liabilities	143.71	127.63
Other temporary difference	119.47	80.99
<b>Total (A)</b>	<b>533.95</b>	<b>489.52</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment and intangible assets	207.99	208.40
Right-of-Use Assets	135.80	118.67
Other temporary difference	0.85	-
<b>Total (B)</b>	<b>344.64</b>	<b>327.07</b>
<b>Deferred tax assets (net) (A-B)</b>	<b>189.31</b>	<b>162.45</b>

Refer Note 38 for tax expenses

\* absorption expected based on future taxable income

## Significant Estimates

One of the subsidiary of the group has unabsorbed depreciation and carry forward business losses available for set off under Income tax Act, 1961. However, in view of inability to assess future taxable income, the extent of deferred tax assets which may be adjusted in subsequent years is not ascertainable with virtual certainty at this stage, and accordingly the deferred tax asset has been recognised only to the extent of deferred tax liability.

## Note: 9 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital advances	4.33	139.38
Prepaid expenses	6.85	8.83
Security deposits		
Considered good	2.22	-
Considered doubtful	3.90	-
Less: Provision for doubtful advances	(3.90)	-
Others	-	2.58
<b>Total</b>	<b>13.40</b>	<b>150.79</b>



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 10 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials [including Goods in transit: ₹ 48.67 (31 March 2023: ₹ 25.62 Mn)]	1,900.87	1,581.73
Work-in-progress	576.38	541.06
Finished goods	925.54	496.03
Stores and spares [including Goods in transit: ₹ 24.14 Mn (31 March 2023: ₹ 0.84 Mn)]	298.69	277.11
<b>Total</b>	<b>3,701.48</b>	<b>2,895.93</b>

### Notes:

- The Group has expensed inventory of ₹ 92.58 Mn (31 March 2023: ₹ 188.40 Mn) for writing down the value of inventories towards slow moving, non-moving and obsolete inventories.
- Inventories have been pledged to secure borrowings of the group, wherever applicable (Refer Note 20 and 24).

## Note: 11 Investments - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>I. Measured at FVTPL</b>		
<b>Investments in Mutual Funds</b>		
<b>Unquoted</b>		
Aditya Birla Sun Life Corporate Bond Fund - Direct Plan - Growth 1,341,644 units (31 March 2023: 1,341,644 units)	138.52	128.27
Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund - Direct Plan - Growth 5,038,568 units (31 March 2023: 5,038,568 units)	56.55	52.74
Aditya Birla Sun Life Banking & PSU Debt Fund - Direct Plan - Growth 152,462 units (31 March 2023: 152,462 units)	52.28	48.57
Axis Short Term Fund - Direct Plan - Growth 7,548,504 units (31 March 2023: 7,548,504 units)	228.17	211.54
Axis Crisil IBX SDL May 2027 Index Fund - Direct Plan - Growth 3,215,316 units (31 March 2023: 3,215,316 units)	35.64	33.26
Axis Banking & PSU Debt Fund - Direct Plan - Growth 13,233 units (31 March 2023: 13,233 units)	32.47	30.28
Axis Strategic Bond Fund - Direct Plan - Growth 2,423,475 units (31 March 2023: Nil)	66.51	-
Bandhan Low Duration Fund - Direct Plan - Growth 845,823 units (31 March 2023: 845,823 units)	30.40	28.32
Bandhan Corporate Bond Fund - Direct Plan - Growth 5,451,773 units (31 March 2023: 5,451,773 units)	97.16	90.51
Bandhan Bond Fund - Short Term - Direct Plan - Growth 698,262 units (31 March 2023: 698,262 units)	38.35	35.63
Bharat Bond FOF April 2023 Fund - Direct Plan - Growth Nil (31 March 2023: 2,572,514 units)	-	31.44
DSP Low Duration Fund - Direct Plan - Growth 973,263 units (31 March 2023: 973,263 units)	18.11	16.85
DSP Banking & PSU Debt Fund - Direct Plan - Growth 1,715,129 units (31 March 2023: 1,715,129 units)	38.58	35.71

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 11 Investments - current (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
HDFC Corporate Bond Fund - Direct Plan - Growth 3,195,709 units (31 March 2023: 3,195,709 units)	95.50	88.26
ICICI Prudential Short Term Fund - Direct Plan - Growth 1,133,953 units (31 March 2023: 1,133,953 units)	66.83	61.65
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth 1,725,839 units (31 March 2023: 1,396,092 units)	48.57	35.04
ICICI Prudential Money Market Fund - Direct Plan - Growth 352,902 units (31 March 2023: Nil)	123.24	-
ICICI Prudential Overnight Fund - Direct Plan - Growth 33,346 units (31 March 2023: Nil)	43.03	-
ICICI Prudential Long Term Bond Fund - Direct Plan - Growth 858,747 units (31 March 2023: Nil)	75.44	-
Kotak Corporate Bond Fund - Direct Plan - Growth 42,991 units (31 March 2023: 42,991 units )	151.98	140.85
Kotak Dynamic Bond Fund - Direct Plan - Growth 961,479 units (31 March 2023: Nil)	35.31	-
Kotak Banking and PSU Debt Fund - Direct Plan - Growth 1,075,722 units (31 March 2023: 1,075,722 units)	66.00	61.18 <sup>®</sup>
Kotak Bond Short Term Plan - Direct Plan - Growth 1,276,236 units (31 March 2023: 1,276,236 units)	65.76	60.91 <sup>®</sup>
Kotak Nifty SDL April 2027 Top 12 Equal Weight Index Fund - Direct Plan - Growth 7,092,638 units (31 March 2023: 7,092,638 units)	78.76	73.54
Mirae Asset Dynamic Bond Fund - Direct Plan - Growth 1,336,396 units (31 March 2023: 672,163 units)	21.31	10.00
Mirae Asset Nifty SDL Jun 2027 Index Fund - Direct Plan - Growth 8,526,590 units (31 March 2023: 8,526,590 units)	94.66	88.30
Mirae Asset Overnight Fund - Direct Plan - Growth 12 units (31 March 2023: Nil)	0.01	-
Nippon India Banking & PSU Debt Fund - Direct Plan - Growth 11,556,011 units (31 March 2023: 11,556,011 units)	224.39	208.19
Nippon India Liquid Fund - Direct Plan - Growth 5,768 units (31 March 2023: Nil)	34.08	-
SBI Arbitrage Opportunities Fund - Direct Plan - Growth 463,286 units (31 March 2023: Nil)	15.17	-
SBI Banking and PSU Fund - Direct Plan - Growth 49,992 units (31 March 2023: 49,992 units)	149.23	138.73 <sup>®</sup>
SBI Corporate Bond Fund - Direct Plan - Growth 2,626,294 units (31 March 2023: 2,626,294 units)	37.68	35.00
SBI Magnum Constant Maturity Fund - Direct Plan - Growth 930,692 units (31 March 2023: Nil)	55.01	-
SBI Dynamic Bond Fund - Direct Plan - Growth 402,240 units (31 March 2023: Nil)	14.14	-
Tata Fixed Maturity Plan Series 61 Scheme A (91 days) - Direct Plan - Growth 4,999,750 units (31 March 2023: Nil)	50.21	-
UTI Banking & PSU Debt Fund - Direct Plan - Growth 1,867,741 units (31 March 2023: 1,867,741 units)	37.65	35.04
UTI Crisil SDL Maturity June 2027 Index Fund - Direct Plan - Growth 5,739,008 units (31 March 2023: 5,739,008 units)	62.48	58.31

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 11 Investments - current (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>II. Measured at amortised cost</b>		
<b>Unquoted</b>		
<b>Investments in Perpetual Bond</b>		
ICICI Bank Limited - 9.90% - Series DDE 18AT (with call option on 28 December 2023) (face value ₹ 1 Mn)	-	51.93
<b>Total</b>	<b>2,479.18</b>	<b>1,890.05</b>

@Marked under lien in favour of lenders for stand-by letter of credit given by the Holding Company to secure the financial assistance extended to subsidiary company as at 31 March 2023

Aggregate amount of unquoted investments	2,479.18	1,890.05
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## Note: 12(a) Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Unsecured, considered good	4,533.53	4,074.59
(b) Credit impaired	498.33	516.66
	<b>5,031.86</b>	<b>4,591.25</b>
Less: Allowance for expected credit losses	(558.93)	(559.94)
<b>Net Trade receivables</b>	<b>4,472.93</b>	<b>4,031.31</b>

### Notes:

#### (i) Allowance for expected credit loss

In determination of the allowance for credit losses on receivables, the Group has used the practical expedient by computing the expected credit losses based on provision matrix, which has taken into account historical credit loss experience and adjusted for forward looking information. The Group also analyses all its receivables periodically for recoverability assessment and wherever they have analysed that the receivable may be credit impaired on account of non recoverability, loss allowance on such receivables have been provided in full.

Details of allowances for expected credit loss are provided hereunder:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
At the beginning of the year	559.94	96.15
Additions relating to acquisition	-	409.39
Provisions created/ (written back) during the year (net) (a)	1.18	55.35
Adjustments (exchange difference)	(2.19)	(0.95)
<b>Closing at the end of the year</b>	<b>558.93</b>	<b>559.94</b>
Bad debts and advances written off (b)	111.06	73.52
<b>Total Charge to Consolidated Statement of Profit and Loss (a+b)</b>	<b>112.24</b>	<b>128.87</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 12(a) Trade receivables (Contd..)

### (ii) Trade receivables ageing schedule:

#### (i) As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - considered good	298.46	2,118.74	1,492.32	358.34	173.29	50.85	41.53	4,533.53
(ii) Undisputed - credit impaired	-	-	3.28	7.53	44.92	55.72	363.24	474.69
(iii) Disputed - considered good	-	-	-	-	-	-	-	-
(iv) Disputed - credit impaired	-	-	-	-	-	-	23.64	23.64
<b>Total</b>	<b>298.46</b>	<b>2,118.74</b>	<b>1,495.60</b>	<b>365.87</b>	<b>218.21</b>	<b>106.57</b>	<b>428.41</b>	<b>5,031.86</b>
Less: Allowance for credit impaired	-	-	3.28	7.53	44.92	55.72	386.88	498.33
<b>Net trade receivables before credit losses</b>	<b>298.46</b>	<b>2,118.74</b>	<b>1,492.32</b>	<b>358.34</b>	<b>173.29</b>	<b>50.85</b>	<b>41.53</b>	<b>4,533.53</b>
Expected loss rate	-	1.05%	1.69%	2.19%	1.07%	2.20%	5.39%	
Less: Allowance for expected credit losses	-	22.35	25.19	7.84	1.86	1.12	2.24	60.60
<b>Total</b>	<b>298.46</b>	<b>2,096.39</b>	<b>1,467.13</b>	<b>350.50</b>	<b>171.43</b>	<b>49.73</b>	<b>39.29</b>	<b>4,472.93</b>

#### (ii) As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - considered good	-	2,623.11	1,077.28	222.20	106.90	23.00	2.50	4,054.99
(ii) Undisputed - credit impaired	-	-	3.32	21.45	34.01	99.98	293.00	451.76
(iii) Disputed - considered good	-	-	-	-	1.90	8.40	9.30	19.60
(iv) Disputed - credit impaired	-	-	-	-	-	0.50	64.40	64.90
<b>Total</b>	<b>-</b>	<b>2,623.11</b>	<b>1,080.60</b>	<b>243.65</b>	<b>142.81</b>	<b>131.88</b>	<b>369.20</b>	<b>4,591.25</b>
Less: Allowance for credit impaired	-	-	3.32	21.45	34.01	100.48	357.40	516.66
<b>Net trade receivables before credit losses</b>	<b>-</b>	<b>2,623.11</b>	<b>1,077.28</b>	<b>222.20</b>	<b>108.81</b>	<b>31.40</b>	<b>11.80</b>	<b>4,074.59</b>
Expected loss rate	-	0.82%	0.88%	1.58%	1.84%	0.61%	56.44%	
Less: Allowance for expected credit losses	-	21.43	9.50	3.50	2.00	0.19	6.66	43.28
<b>Total</b>	<b>-</b>	<b>2,601.68</b>	<b>1,067.78</b>	<b>218.70</b>	<b>106.81</b>	<b>31.21</b>	<b>5.14</b>	<b>4,031.31</b>

(iii) There are no outstanding receivable due from directors or other officers of the Group.

(iv) Trade receivables have been pledged to secure borrowings of the Group, wherever applicable (Refer Note 20 and Note 24).

(v) Refer Note 46 for receivables from related parties.

(vi) The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 12(b) Contract assets

Particulars	As at 31 March 2024	As at 31 March 2023
Contract assets	9.31	-
<b>Total</b>	<b>9.31</b>	<b>-</b>

### Notes:

- (a) Contract assets have been pledged to secure borrowings of the group, wherever applicable (Refer Note 20 and Note 24).  
 (b) Significant changes in contract assets:

Contract assets have increased as the Group has provided higher services ahead of the agreed payment schedules for fixed-price contracts.

## Note: 13 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	1.94	0.89
Balances with banks		
In current accounts	394.78	416.17
In deposit account (less than three months maturity)	466.45	40.15
<b>Total</b>	<b>863.17</b>	<b>457.21</b>

## Note: 14 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Other bank balances</b>		
In deposit account*	3.73	35.77
<b>Earmarked balances</b>		
In unclaimed dividend accounts	0.21	-
<b>Total</b>	<b>3.94</b>	<b>35.77</b>

\*Lodged as security against bank guarantee: Nil (31 March 2023: ₹ 28.40 Mn)

## Note: 15 Loans - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loans to employees	0.87	0.58
<b>Total</b>	<b>0.87</b>	<b>0.58</b>

### Notes:

- (a) There are no outstanding loans due from directors or other officers of the Group.  
 (b) There are no loans and advances in the nature of loans granted to promoters, directors, KMPs, and the related parties (as defined under Companies Act, 2013) or other parties (including employees) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment during the current or previous year. Loans granted to employees are unsecured in nature and are interest free. In respect of these loans, the schedule of repayment of principal amount has been stipulated and the employees are repaying the principal amount as stipulated in a regular manner. The terms and conditions under which these loans were granted are not prejudicial to the interest of the Group.



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 16 Other financial assets - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits		
Considered good	5.76	56.01
Considered doubtful	2.75	0.22
Less: Allowance for credit loss	(2.75)	(0.22)
Interest receivables	4.21	0.73
Derivative asset		
Foreign exchange forward contracts	34.53	11.69
Foreign currency options	29.57	27.75
Interest rate swaps	6.61	8.76
Accruals under duty drawback	4.18	2.48
Other receivables		
Considered good	24.13	-
Considered doubtful	51.53	54.82
Less: Allowance for credit loss	(51.53)	(54.82)
<b>Total</b>	<b>108.99</b>	<b>107.42</b>

## Note: 17 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax (Net of Provision for Income Tax)	60.37	39.03
<b>Total</b>	<b>60.37</b>	<b>39.03</b>

## Note: 18 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
Interest receivables	-	1.31
Accruals under other export incentives	26.95	21.24
Balances with government authorities*	187.16	181.10
<b>Advance to suppliers</b>		
Considered good	155.89	188.88
Considered doubtful	30.98	22.14
Less: Provision for doubtful advances	(30.98)	(22.14)
Prepaid expenses	49.86	45.91
Employee advances	16.17	26.67
<b>Total</b>	<b>436.03</b>	<b>465.11</b>

\*With respect to one subsidiary, The Central Goods & Services Tax Commissioner of Bolpur, Kolkata carried out investigation against the company for availing irregular Input tax credit and issued summons dated 8 February 2020 under section 70 of the Central Goods and Services Tax Act, 2017 directing the company to pay ₹ 86.70 Mn. Further, the department blocked input credit of ₹ 1.00 Mn and company has paid ₹ 4.60 Mn through DRC-03 by debiting the balance available in the electronic credit ledger. Thereafter, the department instructed the company to pay the balance amount. However, in view of the CIRP and approved Resolution Plan the demand was vacated and input credit blocked earlier of ₹ 1.00 Mn was subsequently unblocked by the department and refund/ input of ₹ 4.60 Mn is yet to be received.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19A Equity share capital

### (a) Authorised share capital

Particulars	Number of shares	Amount
As at 1 April 2022	7,00,00,000	700.00
Changes during the year	-	-
As at 31 March 2023	7,00,00,000	700.00
Changes during the year	-	-
As at 31 March 2024	7,00,00,000	700.00

### (b) Issued, subscribed and fully paid-up shares

Particulars	Number of shares	Amount
As at 1 April 2022	6,62,93,149	662.93
Changes during the year		
Exercise of options - proceeds received (Refer Note 47)	60,963	0.61
As at 31 March 2023	6,63,54,112	663.54
Changes during the year		
Exercise of options - proceeds received (Refer Note 47)	1,81,380	1.81
As at 31 March 2024	6,65,35,492	665.35

### (c) Equity shares held by the parent company of the Holding Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
<b>Equity shares:</b>				
Nihal Fiscal Services Private Limited, the Ultimate Holding Company	3,71,28,203	55.80%	3,65,53,153	55.09%

### (d) Details of the shareholders holding more than 5% of equity shares of the Holding Company

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No.	% holding	No.	% holding
<b>Equity shares:</b>				
Nihal Fiscal Services Private Limited, the Ultimate Holding Company	3,71,28,203	55.80%	3,65,53,153	55.09%
Mr. Madan Mohan Mohanka	53,48,502	8.04%	53,48,502	8.06%
Mr. Manish Mohanka	72,78,925	10.94%	72,78,925	10.97%

### (e) Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having par value of ₹10/-. Each equity shareholder is entitled to vote in the same proportion as the equity capital paid (whether fully paid or partly paid) held by the shareholder bears to the total paid up equity capital of the company. Each equity shareholder is entitled to dividend in proportion of the amount paid up as and when the Holding Company declares and pays dividend after obtaining shareholders' approval. Dividends are paid in Indian Rupees. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

### (f) Shares reserved for issue under options

Pursuant to approved employee stock option scheme 2011, the Holding Company has granted 498,628 nos of employees stock options of which 242,343 (31 March 2023: 60,963) of the options have been exercised (also Refer Note 47).

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19A Equity share capital (Contd..)

### (g) Shares held by the promoters and promoter group

Name of the Promoters	As at 31 March 2024		
	No. of shares	% of total shares	% change during the period
<b>Equity shares:</b>			
<b>Promoters</b>			
Mr. Madan Mohan Mohanka	53,48,502	8.04%	(0.02%)
Mr. Mehul Mohanka	3,315	(0.00%^)	(3.02%)
Mr. Manish Mohanka	72,78,925	10.94%	(0.03%)
Nihal Fiscal Services Private Limited, the Ultimate Holding Company	3,71,28,203	55.80%	0.71%
<b>Promoter Group</b>			
Marudhar Food and Credit Limited	-	-	(1.96%)

^Below the rounding off norm adopted by the Holding Company

#### Note:

The change in shareholding is on account of fresh issue of equity shares due to exercise of option, sale of equity shares by Mr. Mehul Mohanka and Nihal Fiscal Services Private Limited in the open market for achieving minimum public shareholding and merger of Marudhar Food and Credit Limited into Nihal Fiscal Services Private Limited vide NCLT Order dated 14 June 2023.

Name of the Promoters	As at 31 March 2023		
	No. of shares	% of total shares	% change during the period
<b>Equity shares:</b>			
<b>Promoters</b>			
Mr. Madan Mohan Mohanka	53,48,502	8.06%	(0.01%)
Mr. Mehul Mohanka	20,03,315	3.02%	(0.00%^)
Mr. Manish Mohanka	72,78,925	10.97%	(0.01%)
Nihal Fiscal Services Private Limited, the Ultimate Holding Company	3,65,53,153	55.09%	(0.05%)
<b>Promoter Group</b>			
Marudhar Food and Credit Limited	13,00,000	1.96%	(0.00%^)

^Below the rounding off norm adopted by the Holding Company

#### Note:

The change in shareholding is on account of fresh issue of equity shares due to exercise of options.

- (h) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

## Note: 19B Preference share capital

### (a) Authorised share capital

#### Compulsorily Convertible Participatory Preference shares

Particulars	Number of shares	Amount
As at 1 April 2022	1,00,00,000	100.00
Changes during the year	-	-
As at 31 March 2023	1,00,00,000	100.00
Changes during the year	-	-
As at 31 March 2024	1,00,00,000	100.00

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19B Preference share capital (Contd..)

### Redeemable Preference shares

Particulars	Number of shares	Amount
<b>As at 1 April 2022</b>	<b>2,50,00,000</b>	<b>250.00</b>
Changes during the year	-	-
<b>As at 31 March 2023</b>	<b>2,50,00,000</b>	<b>250.00</b>
Changes during the year	-	-
<b>As at 31 March 2024</b>	<b>2,50,00,000</b>	<b>250.00</b>

- (b) Preference shares are yet to be issued and are included above for disclosure purpose only. Classification of the preference shares as equity or liability will be determined at the time they are issued.
- (c) No preference shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Holding Company during the last five years.

## Note: 19C Other equity

Particulars	Refer below	As at 31 March 2024	As at 31 March 2023
<b>Reserve and surplus</b>			
Securities premium	(i)	907.76	903.79
Capital reserve	(ii)	1,269.83	1,269.83
General reserve	(iii)	337.98	337.98
Retained earnings	(iv)	9,016.64	7,217.70
Share options outstanding account	(v)	0.23	0.42
<b>Other reserves</b>			
Foreign currency translation reserve	(vi)	(285.36)	96.66
Cash flow hedge reserve	(vii)	5.76	-
<b>Total</b>		<b>11,252.84</b>	<b>9,826.38</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Reserve and surplus</b>		
<b>(i) Securities premium</b>		
Balance at the beginning of the year	903.79	902.10
Exercise of options - proceeds received	3.78	1.63
Transfer within equity - exercise of options	0.19	0.06
<b>Balance at the end of the year</b>	<b>907.76</b>	<b>903.79</b>
<b>(ii) Capital reserve</b>		
Balance at the beginning of the year	1,269.83	-
During the year creation due to acquisition	-	1,269.83
<b>Balance at the end of the year</b>	<b>1,269.83</b>	<b>1,269.83</b>
<b>(iii) General reserve</b>		
<b>Balance at the beginning and end of the year</b>	<b>337.98</b>	<b>337.98</b>
<b>(iv) Retained earnings</b>		
Balance at the beginning of the year	7,217.70	5,380.77
Profit for the year	1,938.57	1,840.30
Items of other comprehensive income recognised directly in retained earnings	(6.73)	(2.17)
- Remeasurements of post-employment benefit obligation, net of tax		

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19C Other equity (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
Share issue expenses	-	(1.20)
Appropriations:		
- Dividend paid	(132.90)	-
<b>Balance at the end of the year</b>	<b>9,016.64</b>	<b>7,217.70</b>
<b>(v) Share options outstanding account</b>		
Balance at the beginning of the year	0.42	0.48
Transfer within equity - exercise of options	(0.19)	(0.06)
<b>Balance at the end of the year</b>	<b>0.23</b>	<b>0.42</b>
<b>Other reserves</b>		
<b>(vi) Foreign currency translation reserve</b>		
Balance at the beginning of the year	96.66	76.09
Add: Adjustment for translation of non integral foreign operation	(382.02)	20.57
<b>Balance at the end of the year</b>	<b>(285.36)</b>	<b>96.66</b>
<b>(vii) Cash flow hedge reserve</b>		
Balance at the beginning of the year	-	-
Fair value changes of cash flow hedges, net of tax	5.76	-
<b>Balance at the end of the year</b>	<b>5.76</b>	<b>-</b>
<b>Total</b>	<b>11,252.84</b>	<b>9,826.38</b>

## Nature and purpose of reserves

### (i) Securities premium

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

### (ii) Capital reserve

The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as Capital reserve on Consolidation. The reserve is not available for distribution.

### (iii) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

### (iv) Retained earnings

Retained Earnings are the profits that the Group has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

### (v) Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under the Group's Employee stock option plan. Refer Note 47.

### (vi) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 19C Other equity (Contd..)

### (vii) Cash flow hedge reserve

The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the consolidated statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item in accordance with the Group's accounting policy.

## Note: 20 Borrowings - Non current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Term loans from banks* [Refer (a) & (b) below]	1,411.31	1,657.80
Less: Current maturities of long term borrowings (Refer Note 24)	(256.16)	(252.63)
<b>Total (A)</b>	<b>1,155.15</b>	<b>1,405.17</b>
<b>Secured</b>		
Vehicle loans from banks and financial institutions* [Refer (c) below]	10.61	13.79
Less: Current maturities of long term borrowings (Refer Note 24)	(3.49)	(3.26)
<b>Total (B)</b>	<b>7.12</b>	<b>10.53</b>
<b>Total Secured Borrowings (C=A+B)</b>	<b>1,162.27</b>	<b>1,415.70</b>
<b>Unsecured</b>		
Term loans from banks* (Refer (d) below)	-	10.23
Less: Current maturities of long term borrowings (Refer Note 24)	-	(10.23)
<b>Total Unsecured Borrowings (D)</b>	<b>-</b>	<b>-</b>
<b>Total (C+D)</b>	<b>1,162.27</b>	<b>1,415.70</b>

### (a) Details of secured term loan facilities from banks are as follows:

Terms of Repayment	As at 31 March 2024*	As at 31 March 2023*	Currency	Maturity Date	Interest Rate
Repayable in 28 unequal quarterly installments starting from 28 June 2018 in the following manner:(a) first 4 installments of 0.50% each (b) next 4 installments of 1.00% each (c) next 6 installments of 2.00% each (d) next 4 installments of 4.00% each (e) next 6 installments of 6.00% each (f) next 4 installments of 7.50% each	62.55	110.93	USD	28-Mar-25	Overnight SOFR plus 325 basis points (31 March 2023: 3 month USD LIBOR plus 325 basis points)
Repayable in 20 unequal quarterly installments starting from 22 October 2019 in the following manner:(a) first 4 installments of 2.50% each (b) next 6 installments of 4.00% each (c) next 2 installments of 6.00% each (d) next 4 installments of 8.00% each (e) next 2 installments of 5.00% each (f) next 2 installments of 6.00% each	50.04	156.12	USD	22-Jul-24	Overnight SOFR plus 290 basis points (31 March 2023: 3 month USD LIBOR plus 290 basis points)

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 20 Borrowings - Non current (Contd..)

Terms of Repayment	As at 31 March 2024*	As at 31 March 2023*	Currency	Maturity Date	Interest Rate
Repayable in 28 unequal quarterly installments starting from 22 October 2019 in the following manner:(a) first 4 installments of 0.50% each (b) next 4 installments of 1.00% each (c) next 6 installments of 2.00% each (d) next 4 installments of 4.00% each (e) next 6 installments of 6.00% each (f) next 4 installments of 7.50% each	275.24	336.90	USD	22-Jul-26	Overnight SOFR plus 315 basis points (31 March 2023: 3 month USD LIBOR plus 315 basis points)
Repayable in 16 equal quarterly installments starting from 19 February 2021	23.48	53.85	USD	19-Nov-24	3 month USD LIBOR plus 240 basis points
Repayable in 24 quarterly installments, the first installment being due on 29 March 2025. The terms of repayment are as follows: (i) 4 equal quarterly installments of ₹ 20.00 Mn each, (ii) 15 equal quarterly installments of ₹ 40.00 Mn each, (iii) 4 equal quarterly installments of ₹ 60.00 Mn each, and (iv) 1 installments of ₹ 80.00 Mn.	1,000.00	1,000.00	INR	28-Mar-31	Repo Rate+ 1.90% p.a.

\* based on closing rate

- (b) The term loans of ₹ 387.83 Mn (31 March 2023: ₹ 603.95 Mn) are secured by first charge on pari-passu basis with the existing lender wherever applicable on property, plant and equipment (both moveable and immovable) and right-of-use land of the holding company and second charge on the current assets to be shared on pari-passu basis with the other working capital lenders of the Holding Company.

Term Loan of ₹ 23.48 Mn (31 March 2023: ₹ 53.85 Mn) is secured by Stand-By Letter of Credit given by the Holding Company to Axis Bank for loan disbursed to one of the step down subsidiary.

Term loan from Axis Bank Limited of ₹ 1,000.00 Mn is secured by first pari passu charge on entire fixed assets of a subsidiary company and second pari passu charge on entire current assets of the said subsidiary company. The Holding Company has also provided Corporate Guarantee for the same.

- (c) Vehicle loans of ₹ 7.75 Mn (31 March 2023 ₹10.35 Mn) is secured by hypothecation of vehicle purchased and are repayable in forty eight (31 March 2023: forty eight) monthly equated installments commencing from the subsequent month in which the loan is taken carrying fixed interest of 7.97% per annum (31 March 2023: 7.97% per annum).

Vehicle loan of ₹ 2.86 Mn (31 March 2023 ₹ 3.44 Mn) is secured by hypothecation of vehicle purchased and is repayable in equal monthly installments of ₹ 0.05 Mn each during the period upto 30 May 2028.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 20 Borrowings - Non current (Contd..)

### (d) Details of unsecured term loan facilities from banks are as follows:

Terms of Repayment	As at 31 March 2024*	As at 31 March 2023*	Currency	Maturity Date	Interest Rate
Repayable fully upto 31 December 2023 and is eligible for forgiveness of CAD 20,000, if the balance amount of CAD 40,000 is repaid by the said date	-	3.64	CAD	31-Dec-23	Interest Free
Repayable in 30 equated monthly installments starting from 15 January 2021	-	6.59	CLP	15-Jun-23	3.84% p.a.

\* based on closing rate

## Note: 21 Other financial liabilities - non current

Particulars	As at 31 March 2024	As at 31 March 2023
Derivative liabilities		
Foreign currency options	9.49	24.25
<b>Total</b>	<b>9.49</b>	<b>24.25</b>

## Note: 22 Provisions - non current

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity	-	23.37
Provision for long term service award	0.53	0.48
<b>Total</b>	<b>0.53</b>	<b>23.85</b>

## Note: 23 Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax liabilities</b>		
Property, plant and equipment and intangible assets	43.24	39.75
Undistributed earnings of joint venture	50.16	40.70
Investments	37.39	32.37
Right-of-Use Assets	4.67	5.78
Other temporary difference	6.28	6.59
<b>Total (A)</b>	<b>141.74</b>	<b>125.19</b>
<b>Deferred tax assets</b>		
Allowance for expected credit loss	39.33	29.84
Amounts allowable for tax purpose on payment basis	33.34	29.32
Lease liabilities	5.44	6.56
Other temporary difference	10.31	11.85
<b>Total (B)</b>	<b>88.42</b>	<b>77.57</b>
<b>Deferred tax liabilities (net) (A-B)</b>	<b>53.32</b>	<b>47.62</b>

Refer note 38 for tax expenses

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 24 Borrowings - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Loan from banks [Refer (a) below]	850.94	1,149.93
Foreign currency loans from banks [Refer (b) below]	158.58	262.80
Current maturities of long term borrowings		
Term loan from banks	256.16	262.86
Vehicle loans from banks and financial institutions	3.49	3.26
<b>Total</b>	<b>1,269.17</b>	<b>1,678.85</b>

### Nature of security:

- (a) All the above facilities are secured by first charge over entire current assets (both present and future) of the Group on pari-passu basis with other banks and second charge on property, plant and equipment (both moveable and immovable) and right-of-use land of the Group on pari-passu basis with other Banks. Interest rate ranges from 5.65% to 7.00% (31 March 2023: 5.00% to 18.12%).
- (b) Foreign currency loan from bank of ₹ 158.58 Mn (31 March 2023: ₹ 155.91 Mn) is secured by Stand-By Letter of Credit given by the Holding Company to Axis Bank for loan disbursed to one of the step down subsidiary. Foreign currency loan from bank of Nil (31 March 2023: ₹ 106.89 Mn) is secured by first charge over entire current assets (both present and future) of the Group on pari-passu basis with other banks and second charge on property, plant and equipment (both moveable and immovable) and right-of-use land of the Group on pari-passu basis with other Banks. Interest rate is 7.69%(31 March 2023: 3.03% to 7.49%).
- (c) With respect to one of the subsidiary Tega McNally Minerals Limited (formally known as McNally Sayaji Engineering Limited), Working Capital facilities sanctioned from Axis Bank Limited are secured by first pari passu charge on entire current assets of the Company and second pari passu charge on the entire fixed assets of the Company and in respect of DBS Bank are secured against the equivalent amount of term deposits. However as on reporting date the company has not drawn or utilised any amount from such facility.

## Note: 25 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Total outstanding dues of micro enterprises and small enterprises	116.92	61.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances	50.65	28.24
(ii) Others	1,666.37	1,029.80
<b>Total</b>	<b>1,833.94</b>	<b>1,119.30</b>

### Notes:

#### (a) Trade payables ageing schedule:

##### (i) As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro enterprises and small enterprises	0.06	28.98	59.52	7.40	4.94	16.02	116.92
(b) Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises	692.14	560.97	452.15	6.47	1.98	3.31	1,717.02

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 25 Trade payables (Contd..)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(c) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(d) Disputed total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>692.20</b>	<b>589.95</b>	<b>511.67</b>	<b>13.87</b>	<b>6.92</b>	<b>19.33</b>	<b>1,833.94</b>

### (ii) As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro enterprises and small enterprises	-	11.47	32.37	3.81	2.83	10.78	61.26
(b) Undisputed total outstanding dues of creditors other than micro and small enterprises	260.24	416.15	371.84	4.24	5.02	0.55	1,058.04
(c) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(d) Disputed total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>260.24</b>	<b>427.62</b>	<b>404.21</b>	<b>8.05</b>	<b>7.85</b>	<b>11.33</b>	<b>1,119.30</b>

b) Refer Note 46 for payables to related parties.

## Note: 26 Other financial liabilities - current

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	7.81	12.68
Derivative liabilities		
Foreign exchange forward contracts	3.73	19.35
Foreign currency options	2.18	1.63
Unclaimed dividend	0.21	-
Other payables		
Capital creditors	426.97	32.78
Security deposit	1.43	1.43
Employee related liabilities	168.59	136.64
<b>Total</b>	<b>610.92</b>	<b>204.51</b>



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 27 Provisions - current

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(a) Provision for employee benefits (Refer Note 34.1)</b>		
Provision for gratuity	48.13	43.00
Provision for compensated absences	115.67	108.21
<b>(b) Others</b>		
Provision for warranty [Refer note below]	29.59	28.02
Provision for long term service award	0.02	0.12
<b>Total</b>	<b>193.41</b>	<b>179.35</b>

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Movement in Provision for warranty:</b>		
Opening balance	28.02	16.01
Additions relating to acquisition	-	5.90
Provision created during the year	20.67	14.58
Provision used during the year	(19.10)	(8.47)
<b>Closing balance</b>	<b>29.59</b>	<b>28.02</b>
- Short Term	29.59	28.02

### Nature of provisions :

The Group has given warranties on certain products, undertaken to repair or replace the items that failed to perform satisfactorily during the warranty period. Provision made as on 31 March 2024 and 31 March 2023 represent the amount of the expected cost of meeting such obligation of rectification/ replacement.

## Note: 28 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax (net of advances)	187.82	90.71
<b>Total</b>	<b>187.82</b>	<b>90.71</b>

## Note: 29 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advances received from customers	609.96	232.46
Deferment of revenue	86.35	48.68
Grant relating to export benefits	47.03	103.13
Other payables		
Liabilities towards corporate social responsibility	-	2.15
Statutory dues (Contribution to PF and ESIC, GST, Withholding Taxes, Entry Tax, etc.)	270.28	166.38
<b>Total</b>	<b>1,013.62</b>	<b>552.80</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 30 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	14,927.14	12,139.72
<b>Total</b>	<b>14,927.14</b>	<b>12,139.72</b>

The group has recognised the following amounts relating to revenue in the Consolidated Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Sale of products	13,718.55	11,562.82
(ii) Sale of services	920.40	380.02
	<b>14,638.95</b>	<b>11,942.84</b>
(iii) Other operating revenue		
Sale of scrap	130.68	81.46
Commission income	34.44	20.46
Duty drawback and other export incentives	102.20	78.25
Service fees	13.12	16.71
Others	7.75	-
<b>Total</b>	<b>14,927.14</b>	<b>12,139.72</b>

### (i) Disaggregation of revenue from contracts with customers:

a) The Group derives revenue from the transfer of goods and services in the following geographical regions:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
North America	1,511.44	1,192.42
South America	4,368.82	3,371.61
EMER (Europe, Middle East and Russia)	1,888.15	1,565.87
Africa	2,291.01	2,808.87
Asia Pacific (South East Asia and Australia)	1,172.45	1,281.44
India	3,407.08	1,722.63
<b>Total</b>	<b>14,638.95</b>	<b>11,942.84</b>

b) Refer Note 42 for revenue from contracts with customers disaggregated on the basis of major businesses.

### (ii) The Group has recognised the following revenue related contract assets and liabilities:

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Contract assets	12(b)	9.31	-
<b>Total contract assets</b>		<b>9.31</b>	<b>-</b>
Contract liabilities - Deferment of revenue	29	86.35	48.68
Contract liabilities - Advances received from customers	29	609.96	232.46
<b>Total contract liabilities</b>		<b>696.31</b>	<b>281.14</b>

### (iii) Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognised that was included in the contract liabilities balance at the beginning of the year:		
Sale contracts	184.41	228.39

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 30 Revenue from operations (Contd..)

(iv) The following table shows reconciliation of revenue recognised with contract price.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Contract Price</b>	14,676.55	11,928.60
Adjustments for:		
Refund liabilities - Claims/ liquidating damages	0.07	(2.13)
Contract liabilities - Unfulfilled obligations at the beginning of the year recognised as revenue during the year	48.68	65.05
Contract liabilities - Unfulfilled obligations*	(86.35)	(48.68)
<b>Total</b>	<b>14,638.95</b>	<b>11,942.84</b>

\* These unfulfilled obligations are expected to be settled within the next 12 months.

## Note: 31 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>(a) Interest income</b>		
on financial instruments at amortised cost	25.72	9.58
on income tax refund	15.38	0.20
<b>(b) Other non-operating income</b>		
Net fair value gain/ (loss) on investments classified at FVTPL	148.80	(2.23)
Net gain on sale of investments classified at FVTPL	25.27	95.00
Mark to market gain/ (loss) on derivative instruments (net)	(30.39)	42.25
Gain on sale of property, plant and equipment (Net)	3.89	0.60
Government grant <sup>#</sup>	-	0.41
Net gain on foreign currency transaction and translations	16.00	49.45
Miscellaneous receipts	17.38	11.58
<b>Total</b>	<b>222.05</b>	<b>206.84</b>

<sup>#</sup>Government grant includes certain relief/ benefit provided by the government of various countries in which the group operates. These are provided for certain operating expenses e.g. salaries and wages etc. and in terms of certain interest free borrowings and forgivable loan.

## Note: 32 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock	1,581.73	1,643.33
Addition relating to acquisition	-	197.20
Add: Purchases	7,278.74	5,032.17
Less: Closing stock	(1,900.87)	(1,581.73)
<b>Total</b>	<b>6,959.60</b>	<b>5,290.97</b>

## Note: 33 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year:		
Finished goods	925.54	496.03
Work-in-progress	576.38	541.06
	<b>1,501.92</b>	<b>1,037.09</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 33 Changes in inventories of finished goods and work-in-progress (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Less : Inventories at the beginning of the year:		
Finished goods	496.03	491.48
Work-in-progress	541.06	227.17
Addition relating to acquisition	-	289.55
	<b>1,037.09</b>	<b>1,008.20</b>
(Increase) in finished goods and work-in-progress	(464.83)	(28.89)
Exchange Difference	(39.63)	14.13
<b>(Increase) in finished goods and work-in-progress</b>	<b>(504.46)</b>	<b>(14.76)</b>

## Note: 34 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages (including bonus)	1,945.94	1,451.74
Contribution to provident and other funds [Refer Note 34.1]	110.40	79.29
Staff welfare expenses	142.29	95.98
<b>Total</b>	<b>2,198.63</b>	<b>1,627.01</b>

### Note: 34.1 Employee benefits obligations

#### (i) Post-employment obligations

##### (a) Defined contribution plan

The Group makes contribution to Provident Fund, Superannuation Fund and Other Fund defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
i) Contribution to Provident Fund *	38.57	22.95
ii) Contribution to Superannuation Fund *	13.33	11.70
iii) Contribution to Other Funds other than India*	41.33	34.93
	<b>93.23</b>	<b>69.58</b>

(\*) recognised under 'Contribution to provident and other funds' in Note 34.

##### (b) Defined benefit plan - Funded Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Trust, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (fifteen day salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.17 based upon which, the Group makes contribution to the Gratuity fund.

#### (ii) Other long term employee benefit plans

The leave obligations cover the Group's liability for other long term benefits.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 34 Employee benefits expense (Contd..)

Compensated absences cover the Group's liability for sick and earned leave. As the Group does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

### (iii) Balance sheet recognition

#### Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (Gratuity) over the years are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2023</b>	<b>125.32</b>	<b>(58.95)</b>	<b>66.37</b>
Current service cost	12.25	-	12.25
Interest expense/ (income)	9.11	(4.19)	4.92
<b>Total amount recognised in statement of profit and loss</b>	<b>21.36</b>	<b>(4.19)</b>	<b>17.17</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.38	0.38
Actuarial (gain)/ loss from change in financial assumptions	9.39	-	9.39
Actuarial (gain)/ loss from change in experience	(1.25)	-	(1.25)
<b>Total amount recognised in other comprehensive income*</b>	<b>8.14</b>	<b>0.38</b>	<b>8.52</b>
Employer contributions	-	(44.24)	(44.24)
Benefit payments	(16.10)	16.10	-
Past year short fall in liability	0.31	-	0.31
<b>As at 31 March 2024</b>	<b>139.03</b>	<b>(90.90)</b>	<b>48.13</b>

\* excludes charge of INR 0.55 Mn related to other employee benefits of a subsidiary company

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2022</b>	<b>66.83</b>	<b>(36.03)</b>	<b>30.80</b>
Additions relating to acquisition	48.60	(13.70)	34.90
Current service cost	7.39	-	7.39
Interest expense/ (income)	5.11	(2.79)	2.32
<b>Total amount recognised in statement of profit and loss</b>	<b>12.50</b>	<b>(2.79)</b>	<b>9.71</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	(0.05)	(0.05)
Actuarial (gain)/ loss from change in financial assumptions	(2.70)	-	(2.70)
Actuarial (gain)/ loss from change in experience	5.11	-	5.11
<b>Total amount recognised in other comprehensive income*</b>	<b>2.41</b>	<b>(0.05)</b>	<b>2.36</b>
Employer contributions	-	(11.40)	(11.40)
Benefit payments	(5.02)	5.02	-
<b>As at 31 March 2023</b>	<b>125.32</b>	<b>(58.95)</b>	<b>66.37</b>

\* excludes charge of INR 0.38 Mn related to other employee benefits of a subsidiary company



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 34 Employee benefits expense (Contd..)

### (iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
Discount Rate	7.00% to 7.10%	7.20% to 7.40%
Rate of Salary Increase	7.00% to 8.50%	4.00% to 8.50%
Rate of Employee Turnover		
Upto 30 years	9.00% to 10.00%	7.00% to 9.00%
From 31 years to 44 years	4.00% to 10.00%	4.00% to 6.00%
More than 44 years	2.00% to 10.00%	1.00% to 3.00%
Mortality Rate During Employment	IALM 12-14 Ultimate	IALM 12-14 Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of assets management, historical results of the return on plan assets, and other relevant factors.

### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	% change compared to base due to sensitivity			
	As at 31 March 2024		As at 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	8.27%	(8.96%)	8.44%	(8.96%)
	10.36	(8.73)	10.58	(11.23)
Salary Growth Rate (- / + 1%)	(8.71%)	7.16%	(8.71%)	6.94%
	(7.98)	8.97	(10.91)	8.70
Attrition Rate (- / + 50%)	1.20%	(1.31%)	1.20%	(1.31%)
	1.79	(1.43)	1.51	(1.64)
Mortality Rate (- / + 10%)	0.10%	(0.10%)	0.10%	(0.10%)
	0.10	(0.10)	0.08	(0.08)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### (vi) The major categories of plan assets

Particulars	As at	As at
	31 March 2024	31 March 2023
Funds Managed by Insurer	97.41%	92.44%
Bank balance	2.59%	7.56%
<b>Total *</b>	<b>100.00%</b>	<b>100.00%</b>

\* Excluding Tega McNally Minerals Limited ("TMML") (formely known McNally Sayaji Engineering Limited)

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 34 Employee benefits expense (Contd..)

In case of TMML, the defined benefit plans are funded with insurance companies of India and it does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

### (vii) Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

#### Interest 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 consolidated financial statements).

#### Liquidity Risk:

This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

#### Salary Escalation Risk:

The present value of the defined benefit plans 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 liability.

#### 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.

#### Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 2.00 Mn).

### (viii) Defined benefit liability and employer contributions

The Group expects to contribute ₹ 18.42 Mn (31 March 2023: ₹ 43.57 Mn) to the funded retiring gratuity plan within the next twelve months.

The weighted average duration of the defined benefit obligation is 3.17 years to 12 years (31 March 2023: 3.59 years to 11 years).

## Note: 35 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Interest expense on</b>		
Leases [Refer Note 3(b)]	66.28	33.01
Bank borrowings and others*	224.40	132.47
Other borrowing costs	8.83	5.54
Applicable loss on foreign currency transactions and translations	20.03	10.18
<b>Total</b>	<b>319.54</b>	<b>181.20</b>

\* Includes interest on income tax of Nil (31 March 2023: ₹ 3.20 Mn)

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 36 Depreciation and amortisation expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment [Refer Note 3(a)]	455.87	308.12
Depreciation on Right-of-Use Asset [Refer Note 3(b)]	157.43	96.46
Amortisation of other intangible assets [Refer Note 3(d)]	23.52	7.39
<b>Total</b>	<b>636.82</b>	<b>411.97</b>

## Note: 37 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores and spare parts	158.34	109.71
Power and fuel	406.35	351.49
Rent	44.70	39.83
Repairs to buildings	28.78	22.53
Repairs to machinery	130.65	94.59
Repairs to others	57.35	50.33
Insurance expenses	54.02	43.18
Bank charges	8.49	10.59
Rates and taxes	43.44	35.79
Fabrication and other expenses	396.20	224.53
Travelling and conveyance	341.69	252.94
Commission to selling agents	56.54	55.80
Marketing fees	2.86	0.86
Packing and forwarding (net)	340.86	419.30
Product installation expenses	97.19	136.15
Postage, telephone and fax	27.87	23.77
Sales promotion expenses	58.59	32.69
Legal and professional fees	313.69	199.08
Directors' sitting fees	1.39	0.80
Allowance for expected credit loss (including bad debts and advances written off) [Refer Note 12(a)]	112.24	128.87
Warranty expenses	20.67	14.58
Derivatives at FVTPL		
Swap/ Option (gain) on derivative settlement (net)	(77.12)	(6.96)
Expenditure on corporate social responsibility activities	22.83	18.04
Miscellaneous expenses*	466.03	273.87
<b>Total</b>	<b>3,113.65</b>	<b>2,532.36</b>

\* includes ₹ 10.00 Mn (31 March 2023: Nil) contributed through electoral bond to All India Trinamool Congress.

## Note: 38 Income tax expense

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 38 Income tax expense (Contd.)

### (a) Movement in deferred tax liability/ (assets)

As at 31 March 2024

Particulars	Charged/ (credited) to			Closing
	Opening	Profit and Loss Account	Other Comprehensive Income	
Property, plant and equipment and intangible asset	248.15	3.08	-	251.23
Right-of-Use Assets	124.45	16.02	-	140.47
Investments	32.37	5.02	-	37.39
Allowance for expected credit losses	(271.72)	131.86	-	(139.86)
Amounts allowable for tax purpose on payment basis	(57.21)	0.36	(2.38)	(59.23)
Accumulated loss	(11.12)	(133.23)	-	(144.35)
Lease liabilities	(134.19)	(14.96)	-	(149.15)
Others*	(45.56)	(28.87)	1.94	(72.49)
<b>Total</b>	<b>(114.83)</b>	<b>(20.72)</b>	<b>(0.44)</b>	<b>(135.99)</b>

As at 31 March 2023

Particulars	Charged/ (credited) to			Closing
	Opening	Profit and Loss Account	Other Comprehensive Income	
Property, plant and equipment and intangible asset	55.55	192.60	-	248.15
Right-of-Use Assets	74.29	50.16	-	124.45
Investments	41.22	(8.85)	-	32.37
Allowance for expected credit losses	(57.26)	(214.46)	-	(271.72)
Amounts allowable for tax purpose on payment basis	(43.44)	(13.10)	(0.67)	(57.21)
Accumulated loss	(70.02)	58.90	-	(11.12)
Lease liabilities	(82.02)	(52.17)	-	(134.19)
Others*	(60.50)	14.94	-	(45.56)
<b>Total</b>	<b>(142.18)</b>	<b>28.02</b>	<b>(0.67)</b>	<b>(114.83)</b>

\* Others majorly includes deferred tax assets on unrealised profit on inventory which is offset by deferred tax liabilities created on undistributed earnings of joint venture.

Deferred Tax Charge/ (Credit) for the period excludes exchange (gain)/ loss of ₹ (12.18) Mn (31 March 2023: ₹ 4.82 Mn) on account of re-statement of period end deferred tax assets and liabilities.

### (b) Income Tax Expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax</b>		
Current tax on profits for the year	578.05	512.57
Adjustments for current tax of prior years	(13.99)	(24.72)
<b>Total current tax expense</b>	<b>564.06</b>	<b>487.85</b>
<b>Deferred tax</b>		
Decrease/ (increase) in deferred tax assets	(44.84)	(205.89)
(Decrease)/ increase in deferred tax liabilities	24.12	233.91
Exchange difference on translation	(12.18)	4.82
<b>Total deferred tax expense</b>	<b>(32.90)</b>	<b>32.84</b>
<b>Total tax expense</b>	<b>531.16</b>	<b>520.69</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 38 Income tax expense (Contd..)

### (c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Profit before tax	2,469.73	2,360.99
<b>Tax on above*</b>	<b>631.67</b>	<b>564.85</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Difference in overseas tax rate	-	0.63
Items not deductible in tax	(4.70)	(6.88)
Items on which tax rate is different	0.36	(12.20)
Adjustments for current tax of prior years	(13.99)	(24.72)
Tax on undistributed profit of joint venture	8.31	9.43
Others	(90.49)	(10.42)
<b>Total tax expense</b>	<b>531.16</b>	<b>520.69</b>

# The statutory tax rate applicable to various entities in the group range from 17.00% - 30.00% (31 March 2023: 17.00% - 30.00%)

## Note: 39 Fair value measurements

### Financial instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
Investments				
- Mutual funds and perpetual bonds	2,479.18	-	1,838.12	51.93
Trade receivables	-	4,472.93	-	4,031.31
Cash and cash equivalents	-	863.17	-	457.21
Other bank balances	-	3.94	-	35.77
Loans	-	0.87	-	0.58
Other financial assets	-	69.88	-	104.31
Derivative assets	100.04	-	107.79	-
<b>Total financial assets</b>	<b>2,579.22</b>	<b>5,410.79</b>	<b>1,945.91</b>	<b>4,681.11</b>
<b>Financial liabilities</b>				
Borrowings	-	2,431.44	-	3,094.55
Derivative liabilities	15.40	-	45.23	-
Trade payables	-	1,833.94	-	1,119.30
Other financial liabilities	-	436.42	-	46.89
<b>Total financial liabilities</b>	<b>15.40</b>	<b>4,701.80</b>	<b>45.23</b>	<b>4,260.74</b>

### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Fair value measurements (Contd..)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>At 31 March 2024</b>				
<b>Financial assets</b>				
Investments				
- Mutual funds	2,479.18	-	-	2,479.18
Derivative financial assets	-	100.04	-	100.04
<b>Total financial assets</b>	<b>2,479.18</b>	<b>100.04</b>	<b>-</b>	<b>2,579.22</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	15.40	-	15.40
<b>Total financial liabilities</b>	<b>-</b>	<b>15.40</b>	<b>-</b>	<b>15.40</b>

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
<b>At 31 March 2023</b>				
<b>Financial assets</b>				
Investments				
- Mutual funds	1,838.12	-	-	1,838.12
Derivative financial assets	-	107.79	-	107.79
<b>Total financial assets</b>	<b>1,838.12</b>	<b>107.79</b>	<b>-</b>	<b>1,945.91</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	45.23	-	45.23
<b>Total financial liabilities</b>	<b>-</b>	<b>45.23</b>	<b>-</b>	<b>45.23</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. This includes mutual funds that are actively traded at NAVs.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives, fixed maturity mutual funds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

There are no transfers between levels 1, 2 and 3 during the year.

### (ii) Valuation technique used to determine fair value

- Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.
- Investments (Mutual funds) carried at fair value are generally based on available NAVs.
- Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.
- The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.
- Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 39 Fair value measurements (Contd..)

below are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

### (iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Borrowings	10.61	10.67	24.02	24.15
<b>Total financial liabilities</b>	<b>10.61</b>	<b>10.67</b>	<b>24.02</b>	<b>24.15</b>

### (iv) Transfer of financial assets

The Group transfers certain trade receivables under discounting arrangements with banks and financial institutions. Some of such arrangements do not qualify for de-recognition due to recourse arrangement being in place. Consequently, the proceeds received from transfer are recorded as short-term borrowings from banks and financial institutions.

The carrying value of trade receivables not de-recognised along with the associated liabilities is as below:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value of asset transferred	Carrying value associated liabilities	Carrying value of asset transferred	Carrying value associated liabilities
Trade receivables	-	-	172.82	172.82
<b>Total</b>	<b>-</b>	<b>-</b>	<b>172.82</b>	<b>172.82</b>

## Note: 40 Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables, investments and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognised financial assets and liabilities not denominated in Indian rupee (₹)	Entering into forward contracts, options and interest rate swaps.
Market risk – interest rate	Long-term borrowings at variable rates.	Entering into derivative contracts such as interest rate swaps and currency swaps.
Market risk – security price risk	Investments in mutual funds and perpetual bonds.	Portfolio diversification.

# Notes to the Consolidated Financial Statements

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(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) including deposits with banks, investments and other financial instruments. The Group periodically monitors the recoverability and credit risks of its other financial assets including security deposits and other receivables.

#### i) Trade receivables

Customer credit risk is managed by the management subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Group operates. The assumptions and estimates applied for determining credit loss are reviewed periodically. The company also uses lifetime of expected credit loss model based on provisional matrix for estimating the allowance for excepted credit losses.

#### ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amounts of trade receivables, investments, balances with bank and other financial assets.

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### (i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows:

Contractual maturities of financial liabilities as at 31 March 2024	Carrying Value	Contractual Cash Flows	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>Non-derivatives</b>						
Borrowings	2,431.44	2,431.43	1,269.16	442.10	320.17	400.00
Lease liabilities	648.71	709.58	165.26	209.92	82.99	251.41
Other financial liabilities	428.61	428.61	428.61	-	-	-
Trade payables	1,833.94	1,833.94	1,833.94	-	-	-
Interest payable on above borrowings**	7.81	394.08	102.25	157.21	97.61	37.01
<b>Total non-derivative financial liabilities</b>	<b>5,350.51</b>	<b>5,797.64</b>	<b>3,799.22</b>	<b>809.23</b>	<b>500.77</b>	<b>688.42</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

Contractual maturities of financial liabilities as at 31 March 2024	Carrying Value	Contractual Cash Flows	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>Derivatives (net settled)</b>						
Foreign exchange forward/ option/ swap contracts	15.40	15.40	5.91	9.49	-	-
<b>Total derivative liabilities</b>	<b>15.40</b>	<b>15.40</b>	<b>5.91</b>	<b>9.49</b>	<b>-</b>	<b>-</b>

\*\* Based on closing rates

Contractual maturities of financial liabilities as at 31 March 2023	Carrying Value	Contractual Cash Flows	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
<b>Non-derivatives</b>						
Borrowings	3,094.55	3,094.56	1,678.86	471.40	384.30	560.00
Lease liabilities	514.17	951.48	281.75	192.52	81.01	396.20
Other financial liabilities	34.21	34.21	34.21	-	-	-
Trade payables	1,119.30	1,119.30	1,119.30	-	-	-
Interest payable on above borrowings**	12.68	525.61	121.90	192.25	129.78	81.68
<b>Total non-derivative financial liabilities</b>	<b>4,774.91</b>	<b>5,725.16</b>	<b>3,236.02</b>	<b>856.17</b>	<b>595.09</b>	<b>1,037.88</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward/ option/ swap contracts	45.23	45.23	21.44	7.22	16.57	-
<b>Total derivative liabilities</b>	<b>45.23</b>	<b>45.23</b>	<b>21.44</b>	<b>7.22</b>	<b>16.57</b>	<b>-</b>

\*\* Based on closing rates

## (C) Market risk

### (i) Foreign currency risk

The Group deals with foreign currency bank accounts, trade receivables, borrowings, trade payables and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Group primarily uses derivatives to hedge its risk against foreign currency balances of borrowings, trade payables, trade receivables. Such exposures are managed within approved policy parameters utilising foreign exchange forward contracts and options. Further, the Group also has variable interest rate loan in foreign currency. To manage its risk against interest rate movements the Group has taken an interest rate swap. The Group also enter into derivative contracts to hedge forecast sales and purchase transactions using forward contracts.

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as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

### Foreign currency risk exposure

The Group's exposure to foreign currency risk for major currencies at the end of the reporting period expressed in ₹ (foreign currency amount multiplied by closing rate), are as follows:-

Particulars	As at 31 March 2024											
	CLP	AUD	CAD	EUR	USD	GBP	BWP	SEK	ZAR	RUB	SGD	GHS
<b>Financial assets</b>												
Trade receivables <sup>s</sup>	-	5.02	-	143.71	1,483.68	-	-	581.66	-	-	-	-
Cash and cash equivalents	1.08	0.56	0.03	0.52	130.50	0.06	0.00 <sup>^</sup>	17.02	-	0.01	0.00 <sup>^</sup>	1.41
Other advances	-	-	-	-	-	-	-	-	-	-	-	-
<b>Offset by derivatives:</b>												
Foreign exchange forward contracts	-	(19.21)	(55.14)	(159.87)	(1,797.56)	-	-	(330.86)	-	-	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1.08</b>	<b>(13.63)</b>	<b>(55.11)</b>	<b>(15.64)</b>	<b>(183.38)</b>	<b>0.06</b>	<b>0.00<sup>^</sup></b>	<b>267.82</b>	<b>-</b>	<b>0.01</b>	<b>0.00<sup>^</sup></b>	<b>1.41</b>
<b>Financial liabilities</b>												
Trade and other payables	-	-	-	(205.60)	(158.93)	-	-	(704.07)	(1.69)	-	-	(5.03)
Other financial liabilities	-	-	-	-	(6.57)	-	-	-	-	-	-	-
Borrowings	-	-	-	-	(569.89)	-	-	-	-	-	-	-
<b>Offset by derivatives:</b>												
Foreign exchange forward contracts/ Foreign Currency option contracts	-	-	-	80.89	779.98	-	-	-	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(124.71)</b>	<b>44.59</b>	<b>-</b>	<b>-</b>	<b>(704.07)</b>	<b>(1.69)</b>	<b>-</b>	<b>-</b>	<b>(5.03)</b>
<b>Net exposure</b>	<b>1.08</b>	<b>(13.63)</b>	<b>(55.11)</b>	<b>(140.35)</b>	<b>(138.79)</b>	<b>0.06</b>	<b>0.00<sup>^</sup></b>	<b>(436.25)</b>	<b>(1.69)</b>	<b>0.01</b>	<b>0.00<sup>^</sup></b>	<b>(3.62)</b>
	<b>As at 31 March 2023</b>											
<b>Particulars</b>	<b>CLP</b>	<b>AUD</b>	<b>CAD</b>	<b>EUR</b>	<b>USD</b>	<b>GBP</b>	<b>BWP</b>	<b>SEK</b>	<b>ZAR</b>	<b>RUB</b>	<b>SGD</b>	<b>GHS</b>
<b>Financial assets</b>												
Trade receivables <sup>s</sup>	-	12.61	-	249.70	1,516.96	-	-	-	-	-	-	-
Cash and cash equivalents	-	0.55	0.02	1.05	76.86	-	-	-	-	-	-	-
Other advances	1.32	-	-	-	0.71	0.03	0.01	-	-	-	-	0.00 <sup>^</sup>
<b>Offset by derivatives:</b>												
Foreign exchange forward contracts	-	(115.14)	(63.90)	(133.86)	(1,642.67)	-	-	-	-	-	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1.32</b>	<b>(101.98)</b>	<b>(63.88)</b>	<b>116.89</b>	<b>(48.14)</b>	<b>0.03</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00<sup>^</sup></b>



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

Particulars	As at 31 March 2023											
	CLP	AUD	CAD	EUR	USD	GBP	BWP	SEK	ZAR	RUB	SGD	GHS
<b>Financial liabilities</b>												
Trade and other payables	-	-	-	(40.92)	(142.83)	-	-	-	-	-	-	(9.63)
Other financial liabilities	-	-	-	(0.58)	(12.75)	-	-	-	-	-	-	-
Borrowings	-	-	-	(106.89)	(813.72)	-	-	-	-	-	-	-
<b>Offset by derivatives:</b>												
Foreign exchange forward contracts/ Foreign Currency option contracts	-	-	-	-	870.65	-	-	-	-	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	-	-	-	<b>(148.39)</b>	<b>(98.65)</b>	-	-	-	-	-	-	<b>(9.63)</b>
<b>Net exposure</b>	<b>1.32</b>	<b>(101.98)</b>	<b>(63.88)</b>	<b>(31.50)</b>	<b>(146.79)</b>	<b>0.03</b>	<b>0.01</b>	-	-	-	-	<b>(9.63)</b>

^Amount is below the rounding off norm adopted by the Group

\$ The Company also has exposure for contract assets amounting to ₹ 9.31 Mn (In EUR - ₹ 0.23 Mn and in USD - ₹ 9.08 Mn) [31 March 2023: Nil]

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax											
	CLP	AUD	CAD	EUR	USD	GBP	BWP	SEK	ZAR	RUB	SGD	GHS
<b>31 March 2024</b>												
₹ appreciates by 5%*	(0.05)	0.68	2.76	7.02	6.94	(0.00)^	(0.00)^	21.81	0.08	(0.00)^	(0.00)^	0.18
₹ depreciates by 5%*	0.05	(0.68)	(2.76)	(7.02)	(6.94)	0.00^	0.00^	(21.81)	(0.08)	0.00^	0.00^	(0.18)
<b>31 March 2023</b>												
₹ appreciates by 5%*	(0.07)	5.10	3.19	1.58	7.34	(0.00)	(0.00)	-	-	-	-	0.48
₹ depreciates by 5%*	0.07	(5.10)	(3.19)	(1.58)	(7.34)	0.00	0.00	-	-	-	-	(0.48)

\* Holding all other variables constant

^Amount is below the rounding off norm adopted by the Company

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

### (ii) Price risk

#### (a) Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Group invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group investments are designated as at fair value through profit or loss at the end of the reporting period [Refer Note 11].

#### (b) Sensitivity

The Group has invested in growth model of these securities as at the year end. The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

Particulars	Impact on profit before tax	
	As at 31 March 2024	As at 31 March 2023
NAV - Increases by 1% *	24.79	18.90
NAV - Decreases by 1% *	(24.79)	(18.90)

\* Holding all other variables constant

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (a) Interest rate risk exposure

##### On Financial Liabilities:

The exposure of the Group's financial liabilities to interest rate risk is as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
Variable rate borrowings*	2,420.83	3,070.53
<b>Total borrowings</b>	<b>2,420.83</b>	<b>3,070.53</b>

\* Long Term Borrowings amounting to ₹ 387.83 Mn (31 March 2023: ₹ 603.95 Mn) is covered through Interest rate swaps

#### (b) Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax	
	As at 31 March 2024	As at 31 March 2023
Interest expense rates - increase by 50 basis points (50 bps)*	(12.10)	(15.35)
Interest expense rates - decrease by 50 basis points (50 bps)*	12.10	15.35

\* Holding all other variables constant

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

### (iv) Impact of hedging activities

#### (a) Disclosure of effects of hedge accounting on financial position:

##### (i) As at 31 March 2024

Types of hedge and risk	Nominal Value		Carrying amount of hedging instrument		Maturity date	Hedge ratio*	Weighted average strike rate for out-standing hedging instruments	Change in intrinsic value of out-standing hedging instruments since inception of the hedges	Change in the value of hedged item used to determine hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities					
<b>Cash flow hedge</b>									
Foreign exchange risk									
(a) Foreign exchange forward contracts	330.86	-	8.05	-	April 2024 - July 2024	1:1	SEK 1: ₹ 8.06	8.05	(8.05)

\* The foreign currency forwards are denominated in the same currency as the highly probable future sales (SEK); therefore, the hedge ratio is 1:1.

##### (ii) The Company did not enter into any cash flow hedges during the year ended 31 March 2023.

#### (b) Disclosure of effects of hedge accounting on financial performance

##### (i) As at 31 March 2024

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
<b>Cash flow hedge</b>				
(a) Foreign exchange risk	770	0.35	-	Not Applicable

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 40 Financial risk management (Contd..)

- (ii) The Company did not enter into any cash flow hedges during the year ended 31 March 2023.

The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

Outstanding balance in Cash flow hedge reserve to be subsequently recycled from OCI	As at 31 March 2024	As at 31 March 2023
Within one year	5.76	-
Between one and three years	-	-
<b>Total</b>	<b>5.76</b>	<b>-</b>

## Note: 41 Capital management

### (a) Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### (b) Dividends paid and proposed

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Equity shares</b>		
<b>(i) Dividend declared and paid during the year</b>		
Final dividend paid during the year	132.90	-
<b>(ii) Proposed dividends not recognised at the end of the reporting period</b>		
The Directors have recommended the payment of ₹ 2 per equity share of ₹ 10 each for the year ended 31 March 2024 (31 March 2023 : ₹ 2). This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	133.07	132.71

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 41 Capital management (Contd..)

### (c) Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the year ended 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents	863.17	457.21
Non-current borrowings	(1,162.27)	(1,415.70)
Current borrowings	(1,009.52)	(1,412.73)
Current maturities of long term borrowings	(259.65)	(266.12)
Lease liabilities	(648.71)	(514.17)
Net derivative assets (Swap and Option)	84.64	51.76
Interest accrued on long term borrowings	(5.28)	(8.43)
Interest accrued on short term borrowings *	(1.87)	(3.77)
<b>Total</b>	<b>(2,139.49)</b>	<b>(3,111.95)</b>

\* Net-off interest receivable on account of subvention of interest of ₹ 0.66 Mn (31 March 2023: ₹ 0.48 Mn)

Particulars	Liabilities from financing activities					Total
	Other assets Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Net derivative assets (Swap and Option)	
<b>Net debt as at 1 April 2023*</b>	<b>457.21</b>	<b>(1,690.25)</b>	<b>(1,416.51)</b>	<b>(514.17)</b>	<b>51.76</b>	<b>(3,111.95)</b>
<b>Addition relating to acquisition</b>	-	-	-	-	-	-
Adjusted with respect to acquisition	-	-	-	-	-	-
Cash flows	462.45	268.35	400.31	-	-	1,131.11
Recognised on adoption of IND AS 116	-	-	-	(359.97)	-	(359.97)
Acquisition of lease	-	-	-	129.12	-	129.12
Principal repayment of lease	-	(156.62)	(76.61)	(66.28)	-	(299.51)
Interest expense	-	159.77	92.78	66.28	-	318.83
Interest paid	-	-	(14.26)	-	-	(14.26)
Subvention interest received	-	-	-	-	(77.12)	(77.12)
<b>Payment on derivative settlement (net)</b>						
Unrealised foreign exchange	(56.49)	(8.45)	2.90	96.18	(1.12)	33.02
Other adjustments	-	-	-	0.13	96.77	96.90
Derivative gain (net)	-	-	-	-	14.35	14.35
<b>Net debt as at 31 March 2024*</b>	<b>863.17</b>	<b>(1,427.20)</b>	<b>(1,011.39)</b>	<b>(648.71)</b>	<b>84.64</b>	<b>(2,139.49)</b>

\*balances include interest accrued on borrowings

Particulars	Liabilities from financing activities					Total
	Other assets Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Net derivative assets (Swap and Option)	
<b>Net debt as at 1 April 2022</b>	<b>394.97</b>	<b>(896.31)</b>	<b>(1,253.55)</b>	<b>(302.22)</b>	<b>(49.19)</b>	<b>(2,106.30)</b>
<b>Addition relating to acquisition</b>	256.10	-	(1,453.70)	(20.70)	-	(1,218.30)
Adjusted with respect to acquisition	(256.10)	-	1,453.70	-	-	1,197.60
Cash flows	77.42	(761.52)	(108.91)	-	-	(793.01)
Acquisition of lease	-	-	-	(253.75)	-	(253.75)
Principal repayment of lease	-	-	-	84.00	-	84.00
Interest expense	-	(52.33)	(82.49)	(33.01)	-	(167.83)
Interest paid	-	49.52	82.75	33.01	-	165.28



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 41 Capital management (Contd..)

Particulars	Other assets	Liabilities from financing activities				Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Net derivative assets (Swap and Option)	
Subvention interest received	-	-	(6.58)	-	-	(6.58)
Payment on derivative settlement (net)	-	-	-	-	(6.96)	(6.96)
<b>Non-cash movements:</b>						
Unrealised foreign exchange	(15.18)	(29.61)	(51.60)	(37.87)	(1.74)	(136.00)
Other adjustments	-	-	3.87	16.37	72.53	92.77
Derivative gain (net)	-	-	-	-	37.12	37.12
<b>Net debt as at 31 March 2023*</b>	<b>457.21</b>	<b>(1,690.25)</b>	<b>(1,416.51)</b>	<b>(514.17)</b>	<b>51.76</b>	<b>(3,111.95)</b>

\*balances include interest accrued on borrowings

## Note: 42 Segment information

The group is engaged in the business of designing, manufacturing and installation of process equipment and accessories. The group has identified its executive committee (which consist of Chairman, Managing Director & Chief Executive Officer, Head Product Management Group & Global Marketing, Head Global Operations, Head Global Finance (Chief Financial Officer), Head Human Resource and Company Secretary) as the chief operating decision maker ('CODM'). On a review of all the relevant aspects including, in particular, the system of internal financial reporting to the Executive Committee, which is the Chief Operating Decision Maker ('CODM') and considering the economic characteristics of the operations, the Group is of the view that it operates in two manufacturing segments 'Consumables' and 'Equipments' used for the global mineral beneficiation, mining and bulk solids handling industry and are considered operating segments as per Ind AS 108 - 'Segment Reporting'. Equipment business represents the operations of a subsidiary Company - Tega McNally Minerals Limited (formerly McNally Sayaji Engineering Limited) acquired during the quarter ended 31 March 2023. Accordingly, segment revenue and results for the year ended 31 March 2023 are not comparable to the current period results. Refer Note 48.

- 1: Consumables - This part of business is engaged in manufacturing and distribution of specialized 'critical to operate' and recurring consumable products for the global mineral beneficiation, mining and bulk solids handling industry.
- 2: Equipments - This part of business is engaged in manufacturing and marketing of crushing, screening, grinding, material handling and mineral processing equipments with integrated customer support and after sales service.

### Other information

- (i) Revenue from external customers along with breakup between India and arising outside India:

Region	Year ended 31 March 2024	Year ended 31 March 2023
India	3,686.29	1,907.12
Outside India	11,240.85	10,232.60
<b>Total</b>	<b>14,927.14</b>	<b>12,139.72</b>

Revenue Outside India includes: Chile ₹ 3,808.83 Mn (31 March 2023: ₹ 2,932.25 Mn)

- (ii) Consolidated Statement of Segment Revenue, Results, Assets and Liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Segment Revenue:</b>		
Consumables	12,905.15	11,775.90
Equipments	2,060.53	367.62
<b>Total</b>	<b>14,965.68</b>	<b>12,143.52</b>

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 42 Segment information (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Less: Inter segment revenue	(38.54)	(3.80)
<b>Total segment revenue from operations</b>	<b>14,927.14</b>	<b>12,139.72</b>
<b>Segment results before interest, tax and depreciation:</b>		
Consumables	2,981.00	2,630.71
Equipments	180.00	75.23
<b>Total</b>	<b>3,161.00</b>	<b>2,705.94</b>
Less: Inter segment eliminations	(1.28)	(1.80)
<b>Total segment results before interest, tax and depreciation</b>	<b>3,159.72</b>	<b>2,704.14</b>
Add: Other income	222.05	206.84
Less: Finance costs	319.54	181.20
Less: Depreciation and amortisation expense	636.82	411.97
Add: Share of profit of joint venture	44.32	43.18
<b>Profit before tax</b>	<b>2,469.73</b>	<b>2,360.99</b>
Less: Income tax expense	531.16	520.69
<b>Profit for the year</b>	<b>1,938.57</b>	<b>1,840.30</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Segment Assets:</b>		
Consumables	12,248.54	10,587.14
Equipments	3,582.15	3,316.33
<b>Unallocable Assets</b>		
Investments in joint venture and mutual fund	2,790.87	2,168.72
Deferred tax assets	189.31	162.45
Derivative assets	100.04	107.79
Less: Inter segment eliminations	(9.52)	(1.40)
<b>Total assets</b>	<b>18,901.39</b>	<b>16,341.03</b>
<b>Segment Liabilities:</b>		
Consumables	5,324.63	4,430.06
Equipments	1,599.37	1,329.60
<b>Unallocable Liabilities</b>		
Deferred tax liabilities	53.32	47.62
Derivative liabilities	15.40	45.23
Less: Inter segment eliminations	(9.52)	(1.40)
<b>Total liabilities</b>	<b>6,983.20</b>	<b>5,851.11</b>

Investments in mutual funds and derivatives that are managed by the treasury department are not considered to be segment assets.

- (iii) Details of non-current assets (property, plant and equipment, right-of-use assets, capital work-in-progress, investment properties, intangible assets, intangible assets under development, goodwill on consolidation and other non current assets) based on geographical area is as below:

Region	As at 31 March 2024	As at 31 March 2023
India	3,587.42	3,419.05
Outside India	2,537.30	2,334.00
<b>Total</b>	<b>6,124.72</b>	<b>5,753.05</b>

Non current assets outside India includes: Chile ₹ 1,270.78 Mn (31 March 2023: ₹ 1,363.54 Mn), Australia ₹ 651.18 Mn (31 March 2023: ₹ 657.46 Mn).

Note: No Single customer represents 10% or more of the Group's total revenue during the year ended 31 March 2024 and 31 March 2023.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 43 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Computation of earnings per equity share:</b>		
A Net profit attributable to the owners of the Holding Company	1,938.57	1,840.30
B Weighted average number of equity shares outstanding during the year other than which are dilutive	6,64,50,328	6,63,02,669
<b>Weighted average number of equity shares outstanding during the year which are dilutive</b>		
C Effect of potential ordinary shares on employee stock options outstanding	1,90,525	3,22,271
D = (B+C) <b>Weighted average number of equity shares outstanding during the year (dilutive)</b>	6,66,40,853	6,66,24,940
<b>Earnings per equity share</b>		
(Face Value ₹ 10/- per share)		
A/B Earnings per share - Basic (in ₹)	29.17	27.76
A/D Earnings per share - Diluted (in ₹)	29.09	27.62

## Note: 44 Interest in other entities

### (a) Subsidiaries

The group's subsidiaries at 31 March 2024 and 31 March 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at 31 March 2024 %	As at 31 March 2023 %	As at 31 March 2024 %	As at 31 March 2023 %
<b>Subsidiaries:</b>					
Tega Industries, Inc.	USA	100.00%	100.00%	-	-
Tega Industries Australia Pty. Ltd.	Australia	100.00%	100.00%	-	-
Tega Industries Canada Inc.	Canada	100.00%	100.00%	-	-
Tega Investments Limited*	The Bahamas	-	-	-	-
Tega Do Brasil Servicos Technicos Ltda	Brazil	99.99%	99.99%	0.01%	0.01%
Tega Holdings Pte Limited	Singapore	100.00%	100.00%	-	-
Tega Equipments Private Limited@	India	-	-	-	-
Tega McNally Minerals Limited#	India	100.00%	100.00%	-	-
<b>Step down subsidiary:</b>					
Tega Investments South Africa Proprietary Limited	South Africa	100.00%	100.00%	-	-
Tega Industries Africa Proprietary Limited	South Africa	100.00%	100.00%	-	-
Tega Holdings Pty Ltd	Australia	100.00%	100.00%	-	-
Losugen Pty Ltd	Australia	100.00%	100.00%	-	-
MBE Coal & Mineral Technologies Private Limited§	India	-	-	-	-
Tega Industries Chile SpA	Chile	100.00%	100.00%	-	-
Edoctum S.A.	Chile	100.00%	100.00%	-	-
Edoctum Peru S.A.C.**	Peru	-	100.00%	-	-
Tega Industries Peru S.A.C##	Peru	100.00%	-	-	-

\*till 14 November 2022

@from 2 December 2022 till 29 March 2023

#subsidiary of Tega Equipments Private Limited from 24 February 2023 to 29 March 2023 and direct subsidiary from 29 March 2023

§from 24 February 2023 to 29 March 2023

\*\*till 20 January 2024

##from 23 January 2024

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 44 Interest in other entities (Contd..)

### (b) Non-controlling interest (NCI)

As noted from the above table, the non-controlling interests are not material to the group.

### (c) Interests in joint venture

Set out below are the details of the joint venture of the group as at 31 March 2024 and 31 March 2023. The entity listed below has share capital consisting solely of equity shares. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business/ country of incorporation	Relationship	Accounting method	Carrying amount		Quoted fair value	% of ownership interest
				As at 31 March 2024	As at 31 March 2023		
Hosch Equipment (India) Limited	India	Joint Venture	Equity method	311.69	278.67	@	50%
<b>Total equity accounted investments</b>				<b>311.69</b>	<b>278.67</b>		

@ Unlisted equity, no quoted price available

### (i) Contingent liabilities in respect of joint venture

Particulars	As at 31 March 2024	As at 31 March 2023
Contingent liabilities – joint venture	16.78	16.85
<b>Total Contingent liabilities</b>	<b>16.78</b>	<b>16.85</b>

### (ii) Summarised financial information for joint venture

The tables below provide summarised financial information for that joint venture which is material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture and not the Holding Company's share of those amounts.

Summarised balance sheet	Hosch Equipment (India) Limited	
	As at 31 March 2024	As at 31 March 2023
<b>Current assets</b>		
Cash and cash equivalents	9.77	1.43
Other assets	404.78	329.04
<b>Total current assets</b>	<b>414.55</b>	<b>330.47</b>
<b>Total non-current assets</b>	<b>25.10</b>	<b>33.67</b>
<b>Current liabilities</b>		
Financial liabilities	23.30	23.04
Other liabilities	18.56	10.46
<b>Total current liabilities</b>	<b>41.86</b>	<b>33.50</b>
<b>Non-current liabilities</b>		
Financial liabilities	1.01	4.14
Other liabilities	5.23	1.00
<b>Total non-current liabilities</b>	<b>6.24</b>	<b>5.14</b>
<b>Net assets</b>	<b>391.55</b>	<b>325.50</b>

Note- Hosch Equipment (India) Limited is having financial and technical collaboration with M/s Hosch (GB) Limited U.K., pioneers in the manufacture of scrapers, having its registered office and manufacturing facilities at West Bengal, India.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 44 Interest in other entities (Contd..)

### Summarised statement of profit and loss

Particulars	Hosch Equipment (India) Limited	
	Year ended 31 March 2024	Year ended 31 March 2023
Revenue	294.45	282.88
Interest income	2.18	0.68
Depreciation and amortisation	3.96	4.07
Finance costs	0.51	0.65
Income tax expense	30.36	26.57
<b>Profit from continuing operations</b>	<b>88.63</b>	<b>86.40</b>
Other comprehensive income	(0.09)	(0.20)
<b>Total comprehensive income</b>	<b>88.54</b>	<b>86.20</b>
<b>Dividends paid</b>	<b>22.50</b>	<b>11.25</b>

### Reconciliation to carrying amounts

Particulars	Hosch Equipment (India) Limited	
	Year ended 31 March 2024	Year ended 31 March 2023
Opening net assets	325.50	250.55
Profit for the year	88.63	86.40
Other comprehensive income	(0.09)	(0.20)
Dividends paid	(22.50)	(11.25)
<b>Closing net assets</b>	<b>391.54</b>	<b>325.50</b>
Group's share in %	50%	50%
Group's share in ₹	195.73	162.71
Goodwill	115.96	115.96
<b>Carrying amount</b>	<b>311.69</b>	<b>278.67</b>

### (iii) Share of Profit

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Share of profits from joint venture	44.32	43.18
<b>Total share of profits from joint venture</b>	<b>44.32</b>	<b>43.18</b>

### (iv) Share of Other Comprehensive Income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Share of Other comprehensive income from joint venture	(0.04)	(0.10)
<b>Total share of other comprehensive income from joint venture</b>	<b>(0.04)</b>	<b>(0.10)</b>

- (v) The joint venture has entered into a 36 months leave and license agreement with Tega Industries Limited and TPW Engineering Limited, for sub-leasing of office space at Godrej Waterside, Salt Lake, Kolkata and leasing of office space at New Alipore, Kolkata respectively. The agreement is pending for registration under the Registration Act, 1908.



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 45A Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Contingent liabilities - Claims against the Group not acknowledged as debt</b>		
Disputed Excise Duty	4.37	14.75
Disputed Service Tax	1.30	3.08
Disputed Income Tax	66.38	64.99
Disputed Sales Tax	4.36	6.56
Civil Suits filed by Contractor for Asansol Factory (Including Interest)	2.10	-

In respect of the contingent liabilities mentioned above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. The Company does not expect any reimbursements in respect of the above contingent liabilities

## Note: 45B Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	113.19	90.97

## Note: 45C

The Holding Company and its Joint Venture has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs. The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated 20 March 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. While further clarification on applicability and operation of the Order is awaited from the Provident Fund authorities, based on estimates by the management, the impact of the Order is not expected to be material on the consolidated financial statements. The management will continue to assess the impact of further developments relating to retrospective application of the Supreme Court's judgement considering the additional guidance as and when issued by the statutory authorities.

## Note: 46 Related party Transactions

### Related party disclosure pursuant to Ind AS 24 prescribed under the Act

#### Details of related parties:

Description of relationship	Names of related parties
<b>Where control exist</b>	
Ultimate Holding Company	Nihal Fiscal Services Private Limited
<b>Others with whom transaction taken place during the year or previous year</b>	
Fellow Subsidiaries	Maple Orgtech (India) Limited MM Aqua Technologies Limited
Joint Venture	Hosch Equipment (India) Limited

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 46 Related party Transactions (Contd..)

Description of relationship	Names of related parties
<b>Key Management Personnel (KMP)</b>	Madan Mohan Mohanka - Chairman and Whole-time Director Mehul Mohanka - Managing Director Syed Yaver Imam - Whole Time Director Jagdishwar Prasad Sinha - Independent Director Madhu Dubhashi - Independent Director Ashwani Maheshwari - Independent Director Manoj Kumar Agarwal - Chief Financial Officer (till 31 January 2023) & Company Secretary (till 6 August 2022) Manjuree Rai - Company Secretary (from 7 August 2022) Sharad Kumar Khaitan - Chief Financial Officer (from 10 July 2023)
<b>Relatives of KMP</b>	Manish Mohanka Manju Mohanka
<b>Post Employment Benefit Plans</b>	Tega India Ltd Employes Gratuity Fund Tega India & Associate Companies Super Annuation Fund Tega Industries (SEZ) Ltd Gratuity Trust Tega Industries (SEZ) Ltd Super Annuation Fund
<b>Entities in which KMP/ Relatives of KMP can exercise significant influence</b>	TPW Engineering Limited Marudhar Food and Credit Limited (Merged with Nihal Fiscal Services Private Limited w.e.f 14 June 2023)

Note: Related parties have been identified by the Management.

## Details of related party transactions for the year ended 31 March 2024 and balances outstanding as at 31 March 2024:

Particulars	Ultimate Holding Company	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/ Relatives of KMP can exercise significant influence	Total
Purchase of goods	-	0.03	-	-	-	-	-	0.03
Sale of goods	-	14.69	5.60	-	-	-	-	20.29
Recovery of expenses	-	1.87	0.66	-	-	-	4.97	7.50
Reimbursement of expenses	-	-	0.63	-	-	-	-	0.63
Sales commission income	-	24.27	-	-	-	-	-	24.27
Contribution to post employment benefit plan	-	-	-	42.85	-	-	-	42.85
Dividend income	-	11.25	-	-	-	-	-	11.25
Dividend paid	71.66	-	-	-	10.76	14.56	2.60	99.58
Rent/ Service charges/ Hire charges income	-	3.88	-	-	-	-	-	3.88
Rent/ Service charges/ Hire charges expenses	-	-	-	-	-	1.12	4.26	5.38
Business support service income	-	9.94	0.92	-	-	-	-	10.86
Security deposits given	-	-	-	-	-	0.06	-	0.06

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 46 Related party Transactions (Contd..)

Particulars	Ultimate Holding Company	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/Relatives of KMP can exercise significant influence	Total
<b>Balances outstanding at the end of the year</b>								
Trade receivables	-	1.10	0.42	-	-	-	-	1.52
Security deposit	-	-	-	-	-	0.17	0.57	0.74
Trade payables	-	-	0.10	-	-	-	0.60	0.70
Other payables	-	-	-	1.16	-	-	-	1.16
Provisions	-	-	-	11.41	-	-	-	11.41
Financial liabilities	-	0.96	-	-	-	-	-	0.96

## Details of related party transactions for the year ended 31 March 2023 and balances outstanding as at 31 March 2023:

Particulars	Ultimate Holding Company	Joint Venture	Fellow Subsidiaries	Post Employment Benefit Plan	KMP	Relatives of KMP	Entities in which KMP/Relatives of KMP can exercise significant influence	Total
Purchase of goods	-	1.72	-	-	-	-	-	1.72
Sale of goods	-	15.36	0.03	-	-	-	-	15.39
Recovery of expenses	-	-	3.15	-	-	-	-	3.15
Reimbursement of expenses	-	-	0.49	-	-	-	-	0.49
Sales commission income	-	20.46	-	-	-	-	-	20.46
Contribution to post employment benefit plan	-	-	-	21.73	-	-	-	21.73
Dividend income	-	5.63	-	-	-	-	-	5.63
Rent/ Service charges/ Hire charges income	-	3.86	-	-	-	-	-	3.86
Rent/ Service charges/ Hire charges expenses	-	-	-	-	-	1.43	5.71	7.14
Business support service income	-	9.27	2.20	-	-	-	-	11.47
Security deposits recovered	-	-	-	-	-	-	(2.81)	(2.81)
<b>Balances outstanding at the end of the year</b>								
Trade receivables	-	2.25	1.37	-	-	-	-	3.62
Security deposit	-	-	-	-	-	0.23	0.57	0.80
Trade payables	-	-	0.26	-	-	-	0.55	0.81
Other payables	-	-	-	1.11	-	-	-	1.11
Provisions	-	-	-	36.87	-	-	-	36.87
Financial liabilities	-	0.96	-	-	-	-	-	0.96

## Other terms and conditions of transactions with related parties:

Transactions related to dividend were on the same terms and conditions that applied to all shareholders. All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and repayable in cash

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 46 Related party Transactions (Contd..)

### Remuneration to KMP

During the year, the Group has recognised an amount of ₹ 166.79 Mn (31 March 2023: ₹ 171.44 Mn) as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Short term employee benefits	126.15	135.40
Post employment benefits	6.32	6.61
Other long term employee benefits	0.65	3.95
<b>Total employee benefits expense</b>	<b>133.12</b>	<b>145.96</b>
Perquisites	1.81	1.24
Sitting fees	1.35	0.80
Commission/ incentive to directors	14.75	9.25
Retainership fees	15.76	14.19
<b>Total other expenses</b>	<b>33.67</b>	<b>25.48</b>

**Note:** Refer note 44(c) for details of share of profit of the year ended 31 March 2024 and 31 March 2023 and investment outstanding as at 31 March 2024 and 31 March 2023 relating to Joint Venture.

## Note: 47 Share-based payments

(a) The share-based payment plan is an employee option plan of the Holding company. The options are equity settled options.

(b) Set out below is the summary of options

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Average exercise price/ share in ₹	No. of options	Average exercise price/ share in ₹	No. of options
Opening balance	39.38	2,96,288	38.91	3,57,251
Granted during the year	-	-	-	-
Exercised during the year	30.77	1,81,380	36.66	60,963
Expired during the year	52.96	1,14,908	-	-
Forfeited during the year	-	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>39.38</b>	<b>2,96,288</b>
<b>Vested and exercisable</b>	<b>-</b>	<b>-</b>	<b>39.38</b>	<b>2,96,288</b>

(c) Share options outstanding at the end of the year have the following exercise period and exercise prices:

Grant	Grant Date	Exercise period	Exercise Price/ Share in ₹	Share Options as on 31 March 2024	Share Options as on 31 March 2023
Grant I	04-Mar-11	2 years from the date of listing	30.77	-	2,13,669
Grant II	04-Mar-11	2 years from the date of listing	30.77	-	27,371
Grant III	16-Nov-12	2 years from the date of listing	76.92	-	27,196
Grant IV	02-Jul-13	2 years from the date of listing	76.92	-	18,707
Grant V	28-Jan-15	2 years from the date of listing	76.92	-	9,345

\* The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2024 was ₹ 981.23 (31 March 2023 : ₹ 517.31)

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 47 Share-based payments (Contd.,)

### (d) Contractual life of options

Grant	Grant Date	Expiry Date	Exercise Price/ Share in ₹	Share Options as on 31 March 2024	Share Options as on 31 March 2023
Grant I	04-Mar-11	13-Dec-23	30.77	-	2,13,669
Grant II	04-Mar-11	13-Dec-23	30.77	-	27,371
Grant III	16-Nov-12	13-Dec-23	76.92	-	27,196
Grant IV	02-Jul-13	13-Dec-23	76.92	-	18,707
Grant V	28-Jan-15	13-Dec-23	76.92	-	9,345
Weighted average remaining contractual life of options outstanding at end of period (in years)				-	0.70

### (e) Fair value of options granted

No grants were issued during the year.

### (f) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were Nil (31 March 2023: Nil).

- (g) The existing Employee Stock Option Scheme 2011 has been aligned with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 and the same was approved in Board Resolution dated 11 February 2022 and shareholder's resolution vide postal ballot dated 3 April 2022. The Holding Company has received in-principle approval from the stock exchange for the said scheme. During the current year 181,380 (31 March 2023: 60,963) equity shares has been exercised.

## Note: 48 Business combination

### (a) Acquisition of Tega McNally Minerals Limited (formerly known as McNally Sayaji Engineering Limited)

Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT") on 24 February 2023 approved the Holding Company's Resolution Plan ("RP") for acquiring Tega McNally Minerals Limited ("TMML") (formerly known McNally Sayaji Engineering Limited) under the provisions of Insolvency and Bankruptcy Code 2016 ("Code"). Pursuant to the NCLT order, the Holding Company through it's wholly owned subsidiary, Tega Equipments Private Limited ("TEPL"), completed the acquisition of TMML under the Corporate Insolvency Resolution Process ("CIRP") of the Code for a total consideration of ₹ 1,653.86 Mn. Vide the same order, Hon'ble NCLT of Kolkata also approved the merger of TEPL with TMML and consequently TMML had become wholly-owned subsidiary of the Holding Company.

Consequent to the acquisition, the Holding Company subscribed to 100% equity share capital amounting to ₹ 653.86 Mn. TMML also obtained a loan (Current borrowing) of ₹ 1,000.00 Mn (pursuant to a corporate guarantee provided by the Holding Company). Subsequently, the group paid to financial and operational creditors as per the RP.

Holding Company has a strong presence in Mining and Mineral sector across the world, is on a strong growth path, and has been intending to enhance it's product portfolio to further its business in India and globally. The acquisition was a backward integration for the Holding Company which shall give an overall thrust to the growth of the Group.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 48 Business combination (Contd..)

- (i) The fair value of assets and liabilities recognised as a result of the acquisition during the year ended 31 March 2023 were as follows:

Particulars	₹ in Mn
<b>Non-current assets</b>	
Property, plant and equipment including Right-of-Use Assets	1,754.25
Other intangible assets	25.61
Other financial assets	15.80
Other non-current assets	2.70
	<b>1,798.36</b>
<b>Current assets</b>	
Inventories	553.50
Trade receivables	510.10
Cash and cash equivalents	256.10
Bank balances other than cash and cash equivalents	56.10
Other financial assets	16.10
Current tax assets (Net)	11.70
Other current assets	205.67
	<b>1,609.27</b>
<b>Total assets (A)</b>	<b>3,407.63</b>
<b>Non-current liabilities</b>	
Lease liabilities	16.00
Provisions	23.70
	<b>39.70</b>
<b>Current liabilities</b>	
Borrowings	1,453.70
Lease liabilities	4.70
Trade payables	140.80
Other financial liabilities	359.40
Provisions	21.90
Other current liabilities	117.60
	<b>2,098.10</b>
<b>Total liabilities (B)</b>	<b>2,137.80</b>
<b>Capital Reserve (A - B)</b>	<b>1,269.83</b>

The acquisition has been given effect to in the Consolidated Financial Statements in accordance with the provisions of Ind AS 103 - "Business Combinations". The fair value of assets and liabilities acquired had been determined in accordance with Ind AS 103 - "Business Combinations".

- (ii) Consideration - cash outflow during the previous year ended 31 March 2023

Particulars	₹ in Mn
Cash paid for acquisition of equity shares of Tega McNally Minerals Limited (formerly known McNally Sayaji Engineering Limited)	653.86
Cash paid for payment of liabilities of Tega McNally Minerals Limited (formerly known McNally Sayaji Engineering Limited)	1,000.00
<b>Total consideration</b>	<b>1,653.86</b>
Less : Cash and cash equivalent balances acquired	(256.10)
<b>Net outflow of cash - investing activities</b>	<b>1,397.76</b>

- (iii) Acquisition related costs

Acquisition costs amounting to ₹ 45.46 Mn were charged to the consolidated statement of profit and loss for the year ended 31 March 2023.



# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 48 Business combination (Contd..)

### (iv) Acquired receivables

Particulars	₹ in Mn
Fair value of acquired trade receivables	510.10
Gross contractual amount for trade receivables	919.50
Contractual cash flows not expected to be collected	409.40

### (v) Impact of acquisition on the results of the Group

- (i) The acquired business contributed ₹ 359.70 Mn of revenue from operations and ₹ 61.40 Mn profit to the Group for the year ended 31 March 2023.
- (ii) If the business combinations had been effected at 1 April 2022, the revenue from operations of the Group would have been ₹ 13,667.42 Mn and the profit for the year would have been ₹ 2,241.40 Mn. The management consider these 'pro-forma' numbers to represent an approximate measure of the performance of the Group on an annualised basis and to provide a reference point for comparison in future periods.

### (b) Note included in the financial statements of TMML in respect of the above acquisition during the year ended 31 March 2023:

- (A) The Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT") on 24 February 2023, under the Corporate Insolvency Resolution Process ("CIRP") of the Insolvency and Bankruptcy Code 2016 ("Code") passed an order regarding the implementation of resolution plan and scheme of arrangement and amalgamation for relief, concessions and approvals.
- B) Vide the said order, Hon'ble NCLT of Kolkata also approved the merger of Tega Equipments Private Limited (TEPL) with the company and consequently the company has become a direct wholly-owned subsidiary of Tega Industries Limited (Ultimate Holding Company).
- C) The scheme of arrangement and amalgamation had been given effect in the consolidated financial statements in accordance with the provisions of Ind AS 103 - "Business Combinations". "

### (c) Consequent to the acquisition stated in note 48(a) above, previous year numbers are not comparable to the current year.

## Note: 49 Additional Information required by Schedule III of the Companies Act, 2013:

Particulars	Net Assets (total assets minus total liabilities)		Share in Profit or (Loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (OCI)	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated total comprehensive income	Amount
<b>Parent</b>								
<b>Tega Industries Limited</b>								
31 March 2024	94.85%	11,305.09	65.25%	1,265.01	(1.92%)	7.35	81.79%	1,272.36
31 March 2023	96.87%	10,160.04	61.85%	1,138.20	(20.16%)	(3.71)	61.04%	1,134.49
<b>Subsidiaries - Foreign</b>								
1 Tega Industries, Inc.								
31 March 2024	1.93%	230.02	0.66%	12.82	-	-	0.82%	12.82
31 March 2023	2.04%	213.89	0.82%	15.01	-	-	0.81%	15.01
2 Tega Industries Australia Pty. Ltd.								
31 March 2024	0.94%	112.12	0.76%	14.78	-	-	0.95%	14.78
31 March 2023	0.94%	99.04	(0.56%)	(10.27)	-	-	(0.55%)	(10.27)
3 Tega Investments Limited								
31 March 2024	-	-	-	-	-	-	-	-

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 49 Additional Information required by Schedule III of the Companies Act, 2013: (Contd..)

Particulars	Net Assets (total assets minus total liabilities)		Share in Profit or (Loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (OCI)	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated total comprehensive income	Amount
31 March 2023	-	-	(0.01%)	(0.21)	-	-	(0.01%)	(0.21)
<b>4 Tega Industries Canada Inc.</b>								
31 March 2024	1.40%	167.11	3.90%	75.61	-	-	4.86%	75.61
31 March 2023	0.86%	90.71	(1.00%)	(18.41)	-	-	(0.99%)	(18.41)
<b>5 Tega Do Brasil Servicos Technicos Ltda</b>								
31 March 2024	0.02%	2.84	0.06%	1.11	-	-	0.07%	1.11
31 March 2023	0.02%	1.67	0.12%	2.28	-	-	0.12%	2.28
<b>6 Tega Holdings Pte Limited</b>								
31 March 2024	35.81%	4,267.39	10.72%	207.80	-	-	13.36%	207.80
31 March 2023	38.73%	4,062.76	(1.91%)	(35.23)	-	-	(1.90%)	(35.23)
<b>7 Tega Holdings Pty Ltd</b>								
31 March 2024	2.51%	298.96	(1.12%)	(21.79)	-	-	(1.40%)	(21.79)
31 March 2023	3.11%	326.07	(0.87%)	(16.06)	-	-	(0.86%)	(16.06)
<b>8 Losugen Pty Ltd</b>								
31 March 2024	2.23%	266.30	3.46%	67.00	-	-	4.31%	67.00
31 March 2023	1.93%	202.93	3.40%	62.67	-	-	3.37%	62.67
<b>9 Tega Industries Chile SpA*</b>								
31 March 2024	10.58%	1,260.41	13.82%	267.84	(0.01%)	0.05	17.22%	267.89
31 March 2023	11.86%	1,244.58	15.57%	286.62	0.21%	0.04	15.42%	286.66
<b>10 Tega Investments South Africa Proprietary Limited</b>								
31 March 2024	0.34%	40.41	(0.02%)	(0.38)	-	-	(0.02%)	(0.38)
31 March 2023	0.41%	43.10	(0.02%)	(0.29)	-	-	(0.02%)	(0.29)
<b>11 Tega Industries Africa Proprietary Limited</b>								
31 March 2024	7.26%	864.68	4.40%	85.37	-	-	5.49%	85.37
31 March 2023	7.86%	824.23	11.24%	206.82	-	-	11.13%	206.82
<b>Subsidiaries - Indian</b>								
<b>12 Tega McNally Minerals Limited</b>								
31 March 2024	16.64%	1,982.79	0.22%	4.34	2.16%	(8.28)	(0.25%)	(3.94)
31 March 2023	18.94%	1,986.73	3.34%	61.46	8.91%	1.64	3.39%	63.10
<b>13 Tega Equipments Private Limited</b>								
31 March 2024	-	-	-	-	-	-	-	-
31 March 2023	-	-	(0.06%)	(1.10)	-	-	(0.06%)	(1.10)
<b>Minority Interest in all subsidiaries</b>								
31 March 2024	0.00%^	0.00^	0.00%^	0.00^	0.00%^	0.00^	0.00%^	0.00^
31 March 2023	0.00%^	0.00^	0.00%^	0.00^	0.00%^	0.00^	0.00%^	0.00^
<b>Joint venture - Indian</b>								
<b>1 Hosch Equipment (India) Limited</b>								
31 March 2024	3.29%	391.55	2.29%	44.32	0.01%	(0.04)	2.85%	44.28
31 March 2023	3.10%	325.50	2.35%	43.16	(0.54%)	(0.10)	2.32%	43.06
<b>Adjustment arising out of Consolidation</b>								
31 March 2024	(77.80%)	(9,271.48)	(4.40%)	(85.26)	99.76%	(382.07)	(30.05%)	(467.33)
31 March 2023	(86.67%)	(9,091.33)	5.74%	105.65	111.58%	20.53	6.79%	126.18
<b>Total 31 March 2024</b>	<b>100.00%</b>	<b>11,918.19</b>	<b>100.00%</b>	<b>1,938.57</b>	<b>100.00%</b>	<b>(382.99)</b>	<b>100.00%</b>	<b>1,555.58</b>
<b>Total 31 March 2023</b>	<b>100.00%</b>	<b>10,489.92</b>	<b>100.00%</b>	<b>1,840.30</b>	<b>100.00%</b>	<b>18.40</b>	<b>100.00%</b>	<b>1,858.70</b>

^ Amount is below the rounding off norm adopted by the Group.

\* includes information related to Tega Industries Chile SpA and its subsidiaries.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 50 Reconciliation of quarterly bank returns

### (a) Holding Company

#### For the year ended 31 March 2024

The Holding Company has filed quarterly returns/ statements with the banks in lieu of the sanctioned working capital facilities which are in agreement with the books of accounts. Quarterly returns/ statements for the quarter ended 31 March 2024 is yet to be filed by the Holding Company, as the same is not yet due.

#### For the year ended 31 March 2023

Quarter	Particulars	Name of the bank	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference	Reason for difference
30 June 2022	Trade receivables and contract assets	Working Capital Lenders*	1,927.72	1,863.26	(64.46)	Refer note below

\* ICICI Bank Limited, Standard Chartered Bank, Axis Bank Limited, RBL Bank Limited and CITI Bank N.A are represented as Working Capital Lenders.

Quarterly returns/ statements for the quarter ended 31 March 2023 was not filed by the Holding Company till the approval of financial statements for the year ended 31 March 2023, as the same was not due.

#### Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts.

### (b) Tega McNally Minerals Limited (formerly known McNally Sayaji Engineering Limited), a subsidiary company

#### For the year ended 31 March 2024

Quarter	Particulars	Name of the bank	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference	Reason for difference
30 June 2023	Inventories	Working Capital Lenders*	591.21	591.24	(0.03)	
30 June 2023	Receivables	Working Capital Lenders*	683.09	689.97	(6.88)	
30 September 2023	Inventories	Working Capital Lenders*	733.06	733.06	-	Refer note below
30 September 2023	Receivables	Working Capital Lenders*	642.04	676.61	(34.57)	
31 December 2023	Inventories	Working Capital Lenders*	704.84	704.84	-	
31 December 2023	Receivables	Working Capital Lenders*	675.64	685.26	(9.62)	

Quarterly return/ statement for the quarter ended 31 March 2024 is yet to be filed by the Company.

\* Axis Bank Limited and DBS Limited are represented as Working Capital Lenders.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 50 Reconciliation of quarterly bank returns (Contd..)

### Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts.

### For the year ended 31 March 2023

The Company had sanctioned working capital limit in excess of ₹ 50 Mn in aggregate from bank which are secured on the basis of security of current assets. However, no quarterly returns have been filed by the Company with the Bank.

## Note: 51 Additional regulatory information

- (a) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- (b) The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 other than transactions entered into by Tega McNally Minerals Limited (formerly known McNally Sayaji Engineering Limited), a subsidiary which is as reproduced below:

Name of the struck off company	Nature of transaction with struck off company	Transactions during the year March 31, 2024	Balance outstanding as at March 31, 2024	Relationship with the struck off companies
Unitech Cement Private Limited	Trade receivables*	-	0.03	Not Applicable
W A Equipment Private Limited	Trade receivables*	-	0.36	Not Applicable
Jain Mineral Industries Private Limited	Advance from customer	-	0.09	Not Applicable

\* Provision already made against the above trade receivables of ₹ 0.36 Mn

- (c) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (d) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (e) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (f) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (g) The Group has complied with the number of layers as prescribed in section 2(89) of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017.
- (h) The Group has not revalued its Property, plant and equipment (including Right of Use Assets) or intangible assets or both during the current or previous year.
- (i) The Group has raised funds on short term and long term basis from banks and financial institutions, and have been applied for the purpose for which they have been obtained.

# Notes to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(All amount in ₹ million, unless otherwise stated)

## Note: 51 Additional regulatory information (Contd..)

- (j) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- whether, directly or indirectly lend or invest in other persons/ entities identified in any manner whatsoever by or on behalf of the Group ('Ultimate Beneficiaries') or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (k) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Note: 52 Details of research and development expenditure recognised as an expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employee benefits expense	48.23	47.53
Travelling expenses	6.91	1.89
Product development	0.75	0.81
Patent cost	3.94	0.80
Telephone and cell phone	-	0.01
<b>Total</b>	<b>59.83</b>	<b>51.04</b>

### Signature to Note 1 to 52 above.

For **Price Waterhouse & Co Bangalore LLP**  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

**Amitesh Dutta**  
Partner  
Membership Number: 058507  
Place: Kolkata  
Date: 23 May 2024

For and on behalf of Board of Directors

**Madan Mohan Mohanka**  
Chairman  
DIN: 00049388  
Place: Kolkata  
Date: 23 May 2024

**Manjuree Rai**  
Company Secretary  
Place: Kolkata  
Date: 23 May 2024

**Mehul Mohanka**  
Managing Director  
DIN: 00052134  
Place: Kolkata  
Date: 23 May 2024

**Sharad Kumar Khaitan**  
Chief Financial Officer  
Place: Kolkata  
Date: 23 May 2024



PARTNERSHIPS IN PRACTICE

# NOTICE

**NOTICE** is hereby given that the 48<sup>th</sup> (Forty-Eighth) Annual General Meeting ("AGM") of the Members of Tega Industries Limited (the "Company") will be held on **Tuesday, August 20, 2024 at 11:00 A.M. (IST)**, through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Madan Mohan Mohanka (DIN: 00049388), who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Final Dividend of ₹ 2/- (two) per equity share (20%) of face value of ₹ 10/- each for the Financial Year ended March 31, 2024.

## SPECIAL BUSINESS

4. **To appoint Mr. Syed Yaver Imam (DIN: 00588381) as a Non-Executive Non-Independent Director of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and in accordance with the provisions of Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, Mr. Syed Yaver Imam (DIN: 00588381), who was appointed as an Additional Director (Category: Non-Executive Non-Independent) of the Company by the Board of Directors w.e.f. June 01, 2024, and who holds office till the conclusion of this 48<sup>th</sup> Annual General Meeting (AGM) in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director (Category: Non-

Executive Non-Independent) of the Company, liable to retire by rotation;

**RESOLVED FURTHER THAT** any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for appointment of Mr. Syed Yaver Imam (DIN: 00588381), as a Non-Executive Non-Independent Director of the Company."

5. **Appointment of Statutory Auditor to fill casual vacancy.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139(8) and 142 of the Companies Act, 2013, approval of the shareholders be and is hereby accorded to the appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. Price Waterhouse Chartered Accountants LLP.

**RESOLVED FURTHER THAT** M/s. Walker Chandiook & Co LLP, Chartered Accountants shall hold the office of Statutory Auditors of the Company from August 09, 2024, until the conclusion of the 48<sup>th</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

6. **Appointment of Statutory Auditor.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) be and are hereby appointed as the Statutory Auditor of the Company, to hold the office from the conclusion of the 48<sup>th</sup> Annual General Meeting, for a term of 5 (five) years, to hold



the office from the conclusion of the 48<sup>th</sup> Annual General Meeting, till the conclusion of 53<sup>rd</sup> Annual General Meeting at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

#### 7. Ratification of remuneration to the Cost Auditors.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of

₹ 3,50,000/- (Rupees Three Lakh Fifty Thousand only) per annum excluding applicable tax plus reimbursement of travelling and other out-of-pocket expenses payable to M/s. Mani & Co., Cost Accountants (Firm Registration No. 000004), appointed as the Cost Auditors of the Company by the Board of Directors for conducting audit of the cost records of the Company and other miscellaneous work related to it for the Financial Year ending March 31, 2025, be and is hereby ratified."

**By Order of the Board of Directors**

Sd/-

**Manjuree Rai**

Date: July 19, 2024

Place: Kolkata Company Secretary and Compliance Officer

#### NOTES:

- The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business with respect to **Item No. 4, 5, 6 & 7** is annexed hereto and forms part of this Notice.
- The Ministry of Corporate Affairs ("MCA"), inter-alia, vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.  
  
Further, Securities and Exchange Board of India ("SEBI"), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 05, 2023 and October 07, 2023 ("SEBI Circulars") and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
- In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 48<sup>th</sup> AGM of the Company is being held through VC/OAVM on **Tuesday, August 20, 2024 at 11:00 A.M. (IST)**. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at Godrej Waterside, Tower-II, Office No. 807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata - 700091.
- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
- Institutional/Corporate Members (i.e. other than Individuals, HUF, NRI, etc.), are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorisation etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent by e-mail on the Scrutinizer's e-mail address at [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com).
- The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- The Company has engaged the services of Link Intime India Private Limited ("LIIP") for providing facility for voting through remote e-voting, participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at **Note No. 33** below.
- Procedure for registration of email address:** Notice of the 48<sup>th</sup> AGM and other documents are being sent through electronic mode to those Members whose email addresses are registered with the Company and/or Company's Registrar and Share Transfer Agent ("RTA")

and/or Depositories. Therefore, those Members, whose email addresses are not registered with the Company and/or Company's RTA or with their respective Depository Participant/s ("DPs"), and who wish to receive the Notice and the Annual Report and all other communications sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- a. For the Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the Company's email address at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com) or to the email address of the Company's Registrar and Share Transfer Agent ("RTA"), Link Intime India Private Limited ("LI IPL") at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in).
- b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

The physical copy of the Notice along with the Annual Report shall be made available to the Members who request for the same in writing to the Company.

9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit PAN details to their depository participants, with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to LI IPL. Members may register their PAN themselves with the RTA through the link: <https://web.linkintime.co.in/KYC-downloads.html>.
  10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024.
  11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/CIR/2022/8 dated January 25, 2022, has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; and Transposition. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or LI IPL for assistance in this regard.
  12. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. For Transmission cases, Members are requested to submit Form ISR-5 as specified vide SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024.
  13. Remote e-voting will commence at **09:00 A.M. (IST) on Friday, August 16, 2024** and will end at **05:00 P.M. (IST) on Monday, August 19, 2024**, when remote e-voting will be blocked by LI IPL.
  14. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **Tuesday, August 13, 2024** (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only. Any Non-Individual Member or Member holding securities in physical form who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e., Tuesday, August 13, 2024, may obtain the login details by registering for e-voting facility of LI IPL. However, if the Member is already registered with LI IPL for e-voting, then the existing User ID and password can be used for remote e-voting. The detailed process is laid down in the Instructions to remote e-voting and joining the Annual General Meeting at Note No. 33.
- Additionally, Individual Members holding shares in demat mode, who acquire shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e., Tuesday, August 13, 2024, can register directly with the Depository/ their respective Depository Participant/s ("DPs") or through their demat account, to access e-voting page of LI IPL, without having to register again with LI IPL for participating in the e-voting process. The detailed procedure in this regard has been explained in Note No. 33.
15. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
  16. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.

17. All the aforementioned forms, can be downloaded from the Company's website at <https://www.tegaindustries.com/investor/#agm> or the RTA's website at [www.linkintime.co.in](http://www.linkintime.co.in). Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to LIPL at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in) in case the shares are held in physical form, quoting their folio no(s).
18. The Board of Directors at their meeting held on May 23, 2024, have recommended payment of final dividend of ₹ 2/- (two) per equity share (20%) of face value of ₹ 10/- each for the Financial Year ended March 31, 2024. The record date for the purpose of final dividend is **August 10, 2024**. The dividend so recommended by the Board, if declared by the members at the Annual General Meeting, shall be paid within statutory time limit to those members (a) whose names appear as beneficial owners at the end of the business hours on August 10, 2024 in the list of beneficial owners to be provided by NSDL and CDSL in respect of shares held in electronic (demat) form and (b) whose names appear in the Register of Members of the Company on August 10, 2024, after giving effect to valid transmission/transposition requests lodged with the Company as of the close of business hours on August 10, 2024.
19. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/LIPL (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
- A Resident Individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by email to the Company at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com) or to LIPL at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in) or by clicking the URL <https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
- Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com) or to LIPL at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in) or by clicking the URL <https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.
- The aforesaid declarations and documents need to be submitted by the shareholders **on or before August 10, 2024**.
20. SEBI has made it mandatory for all listed companies to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS)/National Automated Clearing House (NACH) mode to investors wherever ECS/NACH and Bank details are available.
21. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS)/National Automated Clearing House (NACH) mode at the available RBI locations or NEFT. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). Where either the bank details such as Magnetic Ink Character Recognition ('MICR') and Indian Financial System Code ('IFSC'), amongst others, that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.
22. Effective April 01, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (Optional) (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical shareholders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA.
23. Relevant documents referred to in the accompanying notice or explanatory statement, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Act read with rules issued thereunder will be available for inspection by the members in physical form at the registered office on all working days, except Saturdays, Sundays and Public Holidays, from 11:00 A.M. (IST) to 01:00 P.M. (IST) up to the date of the AGM or in electronic mode at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting upon log-in to the LIPL e-voting system at <https://instavote.linkintime.co.in>. Members seeking to inspect such documents can send an email to [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com).

24. Non-resident Indian Members are requested to inform LIPL, immediately of:
- Change of their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
25. Attention of the Members is invited that as per section 124(5) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules, 2016'), the dividend remaining unpaid or unclaimed for a period of seven years in Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. After transfer of unpaid/unclaimed dividend amount to IEPF, no claim lies against the Company. Further, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the MCA.
- Further, the provisions also provide the manner of transfer of the unpaid and unclaimed dividends to the IEPF after they remain in Unpaid/Unclaimed for 7 Years and the manner of transfer of those shares to IEPF for which dividend has not been claimed by the shareholders for seven consecutive years.
- Details of shareholders with their unpaid/unclaimed dividends for the FY 2022-23 has been uploaded on the website of the Company at <https://www.tegaindustries.com/assets/pdfs/agm/Details-of-unpaid-dividend-for-the-Financial-Year-2022-23.pdf>. Members should check their dividends from the website and if they find that their name is in unpaid/unclaimed list, then they should immediately write to the Company's email address at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com) or to the email address of the Company's RTA, at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in), for claiming their unpaid/unclaimed dividends.
26. Details of Directors retiring by rotation/seeking appointment/re-appointment at this Meeting are provided in the "Annexure" to the Notice.
27. A recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in the safe custody of the Company.
28. The Board has appointed Mr. Atul Kumar Labh, Practicing Company Secretary (Membership No. FCS 4848, CP No. 3238) as the Scrutinizer to scrutinize the remote e-voting process and voting process at AGM in a fair and transparent manner.
29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, within two working days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
30. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tegaindustries.com](http://www.tegaindustries.com) and on the website of LIPL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.
31. Any member desirous of receiving any information/clarification on Financial Statements or operations of the Company is requested to forward his/her queries to the Secretarial Department of the Company at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com) at least 10 working days prior to AGM, so that required information can be made available at the AGM specifying his/her name along with Demat account details.
32. Members are requested to contact LIPL, contact person Mr. Kuntal Mustafi [Phone: (033) 40049728/40731698, Email ID: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)], if they have any queries or for redressal of their complaints or Ms. Manjuree Rai, Company Secretary & Compliance Officer of the Company, at the Registered Office of the Company [Phone: (033) 40939000; Email: [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com)].
- 33. Instructions for remote e-Voting and joining the Annual General Meeting are as follows:**
- The remote e-voting period begins on **Friday, August 16, 2024, at 9:00 A.M. (IST)** and will end at **05:00 P.M. (IST) on Monday, August 19, 2024**. During this period, members of the Company, holding shares either in physical form or in dematerialised form as of the cut-off date of Tuesday, August 13, 2024, may cast their vote electronically. The remote e-voting module shall be disabled by LIPL for voting thereafter. A person who is not a member as of the cut-off date should treat this notice for informational purposes only.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-voting facilities to their shareholders in respect of all shareholder resolutions.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facilities to listed entities in India. This necessitates registration on various ESPs and the maintenance of multiple user IDs and passwords by the shareholders. To increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting for all the demat account holders, by way of a single login credential through their demat accounts or the websites of depositories or depository

participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby not only facilitating seamless authentication but also enhancing the ease and convenience of participating in the e-voting process.

- **The login method for Individual Shareholders holding securities in demat mode is given below:**

- i. **Individual Shareholders holding securities in demat mode with NSDL:**

**METHOD 1 - If registered with NSDL IDeAS facility**

**Users who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR**

**User not registered for IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of NSDL:**

- a) Visit URL: <https://www.evoting.nsd.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be redirected to NSDL depository website wherein you can see "Access to e-voting".

- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

- ii. **Individual Shareholders holding securities in demat mode with CDSL:**

**METHOD 1 - From Easi/Easiest**

**Users who have registered/opted for Easi/Easiest**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi.
- c) Login with user id and password.
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Users not registered for Easi/Easiest**

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user will be able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of CDSL**

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.



- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

### iii. Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website.
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

- **The login method for Individual Shareholders holding securities in physical mode or Non-Individual Shareholders holding securities in demat mode are listed below:**

Individual Shareholders of the Company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

#### A. User ID:

Shareholders holding shares in physical form shall provide Event Number and Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID. Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

- B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant

(DP)/ Company shall use the sequence number provided to you, if applicable.

- C. **DOB/DOI:** Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format)

- D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\* Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\* Shareholders holding shares in **NSDL form**, shall provide 'D' above*

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit!**

#### Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour/ Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e., Favour/ Against, click on '**Submit!** A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes!** else to change your vote, click on '**No**' and accordingly modify your vote.

- **Guidelines for Institutional Shareholders ("Corporate Body/Custodian/Mutual Fund"):**

#### STEP 1 - Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund".
- c) Fill up your entity details and submit the form.



- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr. No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
  - e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
  - f) While first login, entity will be directed to change the password and login process is completed.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
  - e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
  - f) After selecting the desired option i.e., Favour/Against, click on 'Submit'.
  - g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

### STEP 2 - Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section.
- c) Map the Investor with the following details:
  - a. 'Investor ID' -
    - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
    - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
- b. 'Investor's Name' - Enter full name of the entity.
- c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section"

### STEP 3 - Voting through remote e-voting

The corporate shareholder can vote by two methods, once remote e-voting is activated:

#### METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote e-voting.

OR

#### METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name/Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour /Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Helpdesk:

- **Helpdesk for Individual Shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

- **Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

### Forgot Password:

- **Individual Shareholders holding securities in demat mode with NSDL/CDSL/Depository Participant (DP) has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.

- **Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address.*

*Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.*

*The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e., Share Certificate): Your User ID is Event Number and Folio Number registered with the Company.

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID.

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

- **Institutional Shareholders ("Corporate Body/Custodian/ Mutual Fund") has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**Corporate Body/Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address.*

*Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.*

*The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

- **Process and manner for attending the Annual General Meeting through InStaMeet:**

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>. and click on "**Login**".

- Select the "**Company**" and '**Event Date**' and register with your following details: -

- Demat Account No. or Folio No.:** Enter your 16-digit Demat Account No. or Folio No.

- Shareholders/members holding shares in **CDSL demat account shall provide 16 digit beneficiary ID.**
- Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 digit Client ID.**
- Shareholders/members holding shares in **physical form shall provide Folio Number registered with the Company.**

- ii. **PAN:** Enter 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the depository participant (DP)/Company shall use the sequence number provided to you, if applicable).
  - iii. **Mobile No.:** Enter your registered mobile number.
  - iv. **Email ID:** Enter your email id, as recorded with your DP/Company.
- > Click "Go to Meeting" (You are now registered for InStaMeet and your attendance is marked for the meeting).

- **Instructions for Shareholders/Members to Speak during the Annual General Meeting through InStaMeet:**

- i. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id and mobile number at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id and mobile number at [compliance.officer@tegaindustries.com](mailto:compliance.officer@tegaindustries.com). These queries will be replied to by the company suitably by email.
- ii. Those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time.
- iii. Shareholders will get confirmation of registration as speaker on first cum first serve basis depending upon the limitation of number of maximum speakers.
- iv. Shareholders will receive "speaker serial number" from LI IPL once they mark attendance for the meeting.
- v. Other shareholders who do not get registered as speaker, may ask questions to the panelist, via active chat-board during the meeting.
- vi. Please remember speaker serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number of the speaker for speaking.

- **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InStaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, Shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

- i. On the Shareholders VC page, click on the link for e-voting "Cast your vote".

- ii. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InStaMeet and click on 'Submit'.
- iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- iv. Cast your vote by selecting appropriate option i.e., "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- v. After selecting the appropriate option i.e., favour/against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm"; else to change your vote, click on "Back" and accordingly modify your vote.
- vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- vii. Shareholders/Members, who will be present in the Annual General Meeting through InStaMeet facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Shareholders/Members who have voted through Remote e-voting prior to the Annual General Meeting will be eligible to attend and participate in the Annual General Meeting through InStaMeet. However, they will not be eligible to vote again during the meeting.
- viii. Shareholders/Members are encouraged to join the Meeting through their PC/Tablets/ Laptops connected through broadband for a better experience.
- ix. Shareholders/Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- x. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through laptops connecting via Mobile Hotspot may experience audio/visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- xi. In case Shareholders/Members have any queries regarding login/e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on Tel. No.: 022-49186175.

# EXPLANATORY STATEMENT

## (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

The following Explanatory Statement sets out all the material facts relating to Item No. 4, 5, 6 & 7 of the accompanying Notice.

### Item No. 4

The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, have appointed Mr. Syed Yaver Imam as an Additional Director (Category: Non-Executive Non-Independent) of the Company with effect from June 01, 2024, in accordance with the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), and the Articles of Association of the Company. In terms of the aforesaid provision, he holds office up to the date of ensuing Annual General Meeting (AGM) of the Company.

Mr. Imam has been associated with the Company for over 43 years. With an engineering background, he has been involved in various functions of the Company including Project marketing, Sales, Product management, Engineering and Research & Development. His instrumental role in the globalization of the Company signifies his involvement in expanding the Company's presence beyond its domestic market. He was also a part of the executive team of the Company for the last two decades.

Mr. Syed Yaver Imam was appointed for a period of 5 (five) years with effect from June 01, 2019 as a Non-Executive Director. However, considering Mr. Imam's contribution to the growth and development of the Company, the Board of Directors at their meeting held on April 30, 2021, decided to re-designate Mr. Imam as a Wholetime Director in the Company with effect from April 01, 2021 and the same was approved by the shareholders in the Extra-Ordinary General Meeting held on August 02, 2021. His term as Wholetime Director ceased on May 31, 2024 and it was proposed to appoint him as Non-Executive Non-Independent Director of the Company.

Mr. Syed Yaver Imam is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received requisite declarations from him as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Further, he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member signifying his intention to propose the candidature of Mr. Syed Yaver Imam (DIN: 00588381) as a Non-Executive Non-Independent Director of the Company.

Considering his experience and expertise, the Board considers that the appointment of Mr. Syed Yaver Imam as Director is desirable and would be beneficial to the Company, and hence, it recommends appointment of Mr. Syed Yaver Imam as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation.

Accordingly, the Board recommends the resolution as set out at Item No. 4 of this Notice for approval of the members of the Company as an Ordinary Resolution.

Apart from the sitting fees for attending meetings of the Board or Committees thereof and reimbursement of expenses for participation in such meetings, Mr. Imam may be paid remuneration by way of profit related commission as may be decided by the Board of Directors, within the overall limit of 1% of the Net Profits for all non-executive directors of the company as stipulated under Section 197 of the Act.

Pursuant to Regulation 36(3) of SEBI Listing Regulations and Para 1.2.5 of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), requisite particulars for Mr. Syed Yaver Imam including his profile and specific areas of expertise are given in this AGM Notice. Except Mr. Syed Yaver Imam and his relatives, no other director(s) and Key Managerial Personnel(s) or their relatives, are in any way, concerned or interested, financially or otherwise, in this resolution.

### Item No. 5 & 6

The Members of the Company at its 44<sup>th</sup> Annual General Meeting (AGM) held on October 20, 2020, had appointed M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants (Firm Registration No. 007567S/S-200012), as the Statutory Auditors of your Company to hold office from the conclusion of the 44<sup>th</sup> AGM until the conclusion of the 49<sup>th</sup> AGM of your Company to be held in the year 2025.

M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants, Statutory Auditors of the Company resigned with effect from August 09, 2024, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Act.

To fill up the casual vacancy, the Board of Directors of the Company, at its meeting held on July 16, 2024, considering the experience and expertise and based on the recommendation of the Audit Committee, appointed M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration

No. 001076N/N500013) as Statutory Auditors of the Company to hold office w.e.f. August 09, 2024 until the conclusion of the 48<sup>th</sup> AGM, subject to the approval by the members at the 48<sup>th</sup> AGM of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Managing Director of the Company.

Further, Board of Directors of the Company, at its meeting held on July 16, 2024, based on the recommendation of the Audit Committee, proposed to the Members the appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors of the Company to hold the office from the conclusion of the 48<sup>th</sup> AGM, till the conclusion of 53<sup>rd</sup> AGM, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

M/s. Walker Chandiook & Co. LLP is a firm of Chartered Accountants registered and empanelled with the Institute of Chartered Accountants of India (ICAI). It was established in the year 1935 and is a Limited Liability Partnership Firm incorporated in India. It has its registered office at L-41, Connaught Circus, New Delhi - 110001 apart from 15 other branch offices in various cities in India. It is primarily engaged in providing audit and assurance services to its clients. It is amongst the largest and highly reputed audit firms in India and are auditors for several large companies including some of the top 100 listed entities in India.

Pursuant to Section 139 of the Act and the Rules framed thereunder, the Company has received written consent from M/s. Walker Chandiook & Co. LLP and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI Listing Regulations, M/s. Walker Chandiook & Co. LLP, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The proposed remuneration to be paid to Auditors for the Financial Year 2024-25 is Rs. 74 Lakhs (Rupees Seventy Four Lakhs Only). The said remuneration excludes applicable taxes and out of pocket expenses.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for the Financial Year 2024-25 and the remuneration paid to the Outgoing Auditors for the Financial Year 2023-24.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. Accordingly, the Board recommends the resolution as set out at Item No. 5 & 6 of this Notice for approval of the members of the Company as an Ordinary Resolution.

#### **Item No. 7**

In accordance with the provisions of Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), the Company is required to appoint a cost auditor to audit the cost records of the Company.

The Board of Directors on the recommendation of the Audit Committee have approved the appointment of M/s Mani & Co., Cost Accountants, Firm Registration No. 000004 as Cost Auditors of the Company for the Financial Year 2024-25. The remuneration of the Cost Auditors has been fixed at ₹ 3,50,000 (Rupees Three Lakh Fifty Thousand only) per annum excluding applicable tax plus reimbursement of all out-of-pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditors is required to be subsequently ratified by the Members, in accordance with the provisions of the Act and Rule 14 of the Rules.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution at Item No. 7 of this Notice.

The Board recommends the Ordinary Resolution at Item no. 7 of this Notice for the approval of the Members.



# ANNEXURE

<b>Name of the Director</b>	<b>Mr. Madan Mohan Mohanka</b>	<b>Mr. Syed Yaver Imam</b>
<b>Date of Birth/Age</b>	13/08/1943; Age: 80	19/05/1959; Age: 65
<b>DIN</b>	00049388	00588381
<b>Nationality</b>	Indian	Indian
<b>Date of first appointment on the Board</b>	May 15, 1976	July 19, 2005
<b>Remuneration details last drawn</b>	Refer to Corporate Governance Report	Refer to Corporate Governance Report
<b>Relationship with other Directors and KMP of the Company</b>	Father of Mr. Mehul Mohanka, Managing Director of the Company and Group CEO.	None
<b>Qualifications</b>	He holds a bachelor's degree in science (engineering) from Ranchi University and a post graduate diploma in business administration from the Indian Institute of Management, Ahmedabad.	He holds a bachelor's degree in civil engineering from Jadavpur University. Further, he has completed Advance Management Programme from IIM – Ahmedabad, IIM Lucknow, XLRI Jamshedpur and International Management Programme jointly conducted by Stanford and National University of Singapore.
<b>Expertise in the specific functional areas</b>	Mr. Mohanka is the Founder, Promoter and Chairman, and first-generation entrepreneur with over 47 years of industry experience and strong relationships with several key industry organizations. He is from an engineering background and has been instrumental in making the Company reach new heights globally.	Mr. Imam has been associated with the Company for over 43 years. With an engineering background, he has been involved in various functions of the Company including Project marketing, Sales, Product management, Engineering and Research & Development. His instrumental role in the globalization of the Company signifies his involvement in expanding the Company's presence beyond its domestic market. He was also a part of the executive team of the Company for the last two decades.
<b>List of Directorship in other Indian Public Companies</b>	Unlisted Indian Public Companies: 1. MM Aqua Technologies Limited 2. Maple Orgtech (India) Limited 3. T P W Engineering Limited 4. Hosch Equipment (India) Limited 5. Tega McNally Minerals Limited	Unlisted Indian Public Company: Hosch Equipment (India) Limited
<b>List of Membership/Chairmanship of Committees of other Indian Public Companies</b>	NIL	NIL
<b>Listed entities from which the Director has resigned in the past three years</b>	NIL	NIL
<b>Number of shares held in the Company as on March 31, 2024</b>	5,348,502 Equity Shares	29,510 Equity Shares
<b>Number of meetings of the Board attended during the FY 2023-24</b>	8 (Eight) out of 8 (Eight) Board meetings.	7 (Seven) out of 8 (Eight) Board meetings.





# CORPORATE INFORMATION

## Board of Directors

### Chairman & Wholetime Director

Mr. Madan Mohan Mohanka

### Managing Director & Group CEO

Mr. Mehul Mohanka

### Non-Executive Directors

Mr. Syed Yaver Imam

### Independent Directors

Mr. Jagdishwar Prasad Sinha

Mrs. Madhu Dubhashi

Mr. Ashwani Maheshwari

## Board Committees

### Audit Committee

Mrs. Madhu Dubhashi – Chairperson

Mr. Jagdishwar Prasad Sinha – Member

Mr. Ashwani Maheshwari – Member

Ms. Manjuree Rai - Secretary

### Nomination and Remuneration Committee

Mr. Ashwani Maheshwari – Chairman

Mr. Jagdishwar Prasad Sinha – Member

Mrs. Madhu Dubhashi – Member

Ms. Manjuree Rai - Secretary

### Corporate Social Responsibility Committee

Mrs. Madhu Dubhashi – Chairperson

Mr. Ashwani Maheshwari – Member

Mr. Mehul Mohanka – Member

Ms. Manjuree Rai – Secretary

### Stakeholders Relationship Committee

Mr. Ashwani Maheshwari – Chairman

Mr. Syed Yaver Imam – Member

Mr. Mehul Mohanka – Member

Ms. Manjuree Rai - Secretary

### Risk Management Committee

Mr. Mehul Mohanka – Chairman

Mr. Syed Yaver Imam – Member

Mr. Ashwani Maheshwari – Member

Mr. Sharad Kumar Khaitan – Member

Ms. Manjuree Rai – Secretary

### Sustainability Committee

Mr. Ashwani Maheshwari – Member

Mr. Mehul Mohanka – Member

Mr. Manoj Kumar Sinha – Member

Ms. Manjuree Rai - Secretary

### Finance & Operations Committee

Mr. Madan Mohan Mohanka - Member

Mr. Mehul Mohanka - Member

Mr. Syed Yaver Imam - Member

Mr. Sharad Kumar Khaitan - Member

Ms. Manjuree Rai - Secretary

### Chief Financial Officer

Mr. Sharad Kumar Khaitan

### Company Secretary & Compliance Officer

Ms. Manjuree Rai

### Statutory Auditors

Price Waterhouse & Co Bangalore LLP

Chartered Accountants

### Internal Auditors

Ernst & Young (till March 31, 2024)

BDO India LLP (with effect from April 01, 2024)

### Secretarial Auditors

Sweety Kapoor

Practising Company Secretary

### Corporate Identification Number

L25199WB1976PLC030532

### Registered Office

Godrej Waterside, Tower-II, Office No.807, 8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata – 700091

Telephone No.: +91 33 4093 9000

Facsimile No.: +91 33 4093 9075

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

### Listing

National Stock Exchange of India Limited  
BSE Limited

### Depositories

National Securities Depository Limited

Central Depository  
Services (India) Limited

### Registrar and Share

#### Transfer Agents (RTAs)

Link Intime India Pvt. Ltd.

Rosoi Court

5<sup>th</sup> Floor

20 R .N. Mukherjee Road

Kolkata – 700 001

Phone : 033-4073-1698

Email: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in).

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

### Investor Helpdesk

Ms. Manjuree Rai

Company Secretary & Compliance Officer

Email:

[investor.relations@tegainindustries.com](mailto:investor.relations@tegainindustries.com)

[compliance.officer@tegainindustries.com](mailto:compliance.officer@tegainindustries.com)

Phone: 033-4093 9000





PARTNERSHIPS IN PRACTICE

**Registered office**

Godrej Waterside, Tower-II, Office No.807,  
8<sup>th</sup> Floor, Block DP-5, Salt Lake Sector V,  
Bidhannagar, Kolkata – 700091

**Telephone No.:** +91 33 4093 9000

**Facsimile No.:** +91 33 4093 9075

**Website:** [www.tegaindustries.com](http://www.tegaindustries.com)