

August 7, 2024

The Secretary
BSE Ltd.
P J Towers, Rotunda Bldg.,
Dalal Street, Fort
Mumbai – 400 001

Scrip Code: 500414

Dear Sir,

Sub: Notice of the 36th Annual General Meeting (AGM) and Annual Report for the financial year 2023-24 – Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in furtherance to our letter dated July 19, 2024, wherein the Company had informed that the 36th Annual General Meeting of the Company is scheduled to be held on Wednesday, September 4, 2024 at 4.00 PM. (IST) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) only, in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('Circulars').

In terms of the said Circulars and pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2023-24 along with the Notice convening the 36th AGM. The same is also being sent to all the Members of the Company whose email addresses are registered with the Company / Registrar and Share Transfer Agent/ Depository Participant(s). AGM Notice may be referred for detailed instructions on registering email addresses(s) and voting/ attendance for the AGM.

The Annual Report for the financial year 2023-24 along with Notice of 36th AGM is uploaded on the Company's website, www.timexindia.com.

Please take the same on record and inform the members of the Stock Exchange accordingly.

Thanking you,
For Timex Group India Limited

Dhiraj Kumar Maggo
Vice President – Legal, HR and Company Secretary

TIMEX

170
YEARS

**ANNUAL
REPORT 2024**

TIMEX GROUP INDIA LIMITED

ART. DIR.: PAUL MARCIANO - PH: TATIANA CERUSOVA © GUESS, INC. 2024



GEORGINA
for

GUESS

Board of Directors	David Thomas Payne Deepak Chhabra Meeta Makhan (Ms.) Sanjeev Kumar Dhanashree Ajit Bhat(Ms.) Marco Zambianchi	Non-Executive Director & Chairman Managing Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive Director
CFO	Amit Jain	
VP-Legal, HR & Company Secretary	Dhiraj Kumar Maggo	
Bankers	J.P. Morgan Chase Bank NA HDFC Bank Limited	
Auditors	Deloitte Haskins and Sells LLP, Chartered Accountants	
Registered Office	E-10, Lower Ground Floor Lajpat Nagar-III New Delhi – 110024	
Works	Plot No.10 Baddi Industrial Area Katha Bhatoli Baddi, Distt. Solan (H.P)	
Share Registrar & Transfer Agent	Alankit Assignment Limited 4E/2, Alankit House Jhandewalan Extension New Delhi 110 055 Tel.: 011-42541234 Email: rta@alankit.com Website: www.alankit.com	

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Sixth Annual General Meeting of the Members of TIMEX GROUP INDIA LIMITED will be held on Wednesday, September 4, 2024 at 4:00 p.m. through Video Conferencing (VC)/ Other Audio-Visual means (OAVM), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2024, and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. David Thomas Payne (DIN:07504820), who retires by rotation and being eligible, offers himself for appointment.

**By Order of the Board of Directors
For and on behalf of Timex Group India Ltd**

**Sd/-
Dhiraj Kumar Maggo
VP - Legal, HR & Company Secretary
Membership No. F7609**

**Registered Office:
E-10, Lower Ground Floor,
Lajpat Nagar-III,
New Delhi-110024**

Dated: May 28, 2024

NOTES

1. Pursuant to the General Circular numbers 09/2023, 10/2022, 2/2022, 21/2021, 19/2021, 02/2021, 20/2020, 17/2020, 14/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, SEBI/HO/CFD/CMD2/CIR/P/2022/62 SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the 36th AGM will be E-10, Lower Ground Floor, Lajpat Nagar- III, New Delhi - 110024.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, 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.
3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
4. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 2, 2024 to September 3, 2024 (both days inclusive).
7. The Statement pursuant to section 102 of the companies Act 2013 in respect of the business under Item no.2 is annexed hereto. Relevant details, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation and proposed to be re-appointed is annexed to this Notice.
8. In Compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to offer e-voting facility which will enable the members to cast their votes electronically through e-voting services provided by NSDL, on all resolutions set forth in this notice (Remote e-voting). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The Manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of the notice.

9. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their depository participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate changes, if any, in their Registered Address along with Pin Code Number and the bank details immediately to the Registrar and Share Transfer Agent, M/s Alankit Assignments Limited.
 10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection electronically by the members during the AGM. All documents referred in the Notice will be available without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 4, 2024. Members seeking to inspect such documents can send an email to investor.relations@timex.com.
 11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
 12. In compliance with the Circulars, the Annual Report 2024, the Notice of the 36th Annual General Meeting and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
 13. Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for 2024 will also be available on the Company's website, www.timexindia.com, website of BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com> for their download.

The Shareholder of the Company may request physical copy of the Annual Report from the Company by sending a request at investor.relations@timex.com in case they wish to obtain the same.
 14. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, M/s Alankit Assignments Limited at rta@alankit.com to receive copies of the Annual Report 2024 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report and for procuring user ID / password for e-voting on the resolutions set out in the Notice:
 - a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@timex.com.
 - b. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@timex.com.
15. Securities and Exchange Board of India (SEBI) vide its Master Circular dated May 17, 2023 read with SEBI Circular dated November 17, 2023 has made it mandatory that the security holders (holding securities in physical form) to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. In case of non-updating of aforesaid documents/ details, the shareholder shall be eligible to lodge grievance or avail service request from the RTA only after furnishing the complete documents/ details except for nomination details. Also, such shareholders shall be eligible for any payment including dividend etc. only through electronic mode upon furnishing all the aforesaid details in entirety, except for nomination details. The formats for Nomination and Updating of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our website i.e. www.timexindia.com. Members holding shares in physical form are requested to intimate such changes to Company's RTA [through Form ISR-1, Form ISR- 2 and Form ISR-3 (as applicable)]. Members holding shares in electronic form may approach their respective DPs for furnishing PAN, Nomination, Contact details, Bank A/c details and Specimen signature completing the nomination formalities. Changes intimated to the DP will then be automatically reflected in the Company's records.
- Member may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service request viz. Issue of duplicate 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. Accordingly, Members are requested to make service requests submitting a duly filled and signed Form ISR-4.
- Relevant details and forms prescribed by the SEBI in this regard are available on the website of the company at www.timexindia.com, for information and use by the Shareholders.

You are requested to kindly take note of the same and update your particulars timely.

Members who are holding shares in demat mode are requested to notify any changes in their residential address, Bank A/c details and/or email address immediately to their respective Depository Participant.

16. The Voting period begins on August 31, 2024 at 09:00 AM and ends on September 3, 2024 at 5:00 PM. During this period Members, holding shares either in physical form or dematerialised form, as on the cut-off date i.e. August 29, 2024, may cast their vote electronically. The Remote e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of August 29, 2024.
17. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
18. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 29, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
19. Mr. Neelesh Kumar Jain, Proprietor, M/s N.K.J. & Associates, Company Secretaries, (Membership Number FCS 5593, Certificate of Practice No. 5233), has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through Remote e-voting and voting cast on the date of AGM in the presence of at least 2 witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated report of the total votes casted in favour of or against, if any, within two working days from conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman shall declare the result of the voting forthwith. The result of remote e-voting and voting during the AGM on the resolution shall be aggregated and declared on or after the AGM of the Company. Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the AGM. The result, along with Scrutinizers Report will be placed on

the Company's website, www.timexindia.com, and on the website of NSDL immediately after the result is declared by the Chairman or by any other person authorised by the Chairman, and the same shall also be communicated to the BSE Ltd.

20. Shareholders, who would like to express their views/have questions may send their questions in advance, at least 48 hours before the commencement of the meeting, mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@timex.com. Such questions by the members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor.relations@timex.com at least 48 hours before the commencement of the Meeting. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on August 31, 2024, at 09:00 A.M. and ends on September 3, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 29, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 29, 2024.

How do I vote electronically using NSDL e-Voting system?


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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 evoting@nsdl.com or call at 022 - 4886 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - How to retrieve your ‘initial password’?
 - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer by e-mail to nkj@nkj.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Power of attorney / Authority Letter” displaying under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forget User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on.: 022-4886 7000 or send a request to Prajakta Pawle - Executive NSDL at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.relations@timex.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.relations@timex.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Registered Office:
E-10, Lower Ground Floor,
Lajpat Nagar-III, New Delhi-110024

By Order of the Board of Directors
For and on behalf of Timex Group India Ltd

Sd/-
Dhiraj Kumar Maggo
VP - Legal, HR & Company Secretary
Membership No. F7609

Dated: May 28, 2024

ANNEXURE TO ITEM NO. 2 OF THE NOTICE
Details of Director seeking appointment at the 36th Annual General Meeting
(In pursuance of Secretarial Standards - 2 on General Meeting and Regulation 36 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	Mr. David Thomas Payne
DIN	07504820
Date of birth/ age	26 July 1971/52 years
Nationality	United State of America
Qualifications	Bachelor of Science degree in Computer Science from the University of Alabama, and a Juris Doctor degree from Washington & Lee University School of Law.
Experience (including nature of expertise in specific functional areas)/ Brief Resume	<p>Mr. David Thomas Payne is Senior Vice President, General Counsel, HR and Corporate Secretary for Timex Group, specializing in licensing, employment law, employee benefits, corporate finance, international distribution, advertising and trademark law. Since joining Timex Group in 2001, Mr. Payne has advised the company in significant transactions including the negotiation of license agreements with major fashion and luxury brands, mergers and acquisitions and bank financing agreements, as well as representing the company in litigation and environmental matters.</p> <p>Prior to joining Timex, Mr. Payne represented employers in commercial and employment litigation, and secured creditors in bankruptcy proceedings.</p>
Terms and conditions of re-appointment	Proposed to be re-appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Remuneration last drawn (including sitting fee, if any)	Nil
Remuneration sought to be paid	Nil
Date of first appointment on the Board	April 20, 2018
Date of last re-appointment	Not Applicable
Shareholding (including beneficial ownership) in Timex Group India Limited as on March 31, 2024	Nil
Relationship with other directors, key managerial personnel of the Company	Nil
Number of Board Meetings attended for the FY 2023-24	8 out of 8 Board meetings
Name of Companies in which he/she holds directorship	<ul style="list-style-type: none"> • BTX, Inc. • Indiglo Corporation • Ingersoll Watch Company • Joint Trademark Holdings, LLC • LR Property Holdings LLC • Middlebury Land Development, LLC • Sequel eCommerce, Inc. (f/k/a U.S. Time, Inc.) • Sequel International, Inc.

Name	Mr. David Thomas Payne
Name of Companies in which he/she holds directorship	<ul style="list-style-type: none"> • Tiempo S.A. de C.V. • Time Factory, Inc. • Time Master Watches and Accessories Private Limited • Timex (Shanghai) Trading Co. Ltd. • Timex Espana S.A. • Timex Group Canada, Inc. • Timex Group Customer Service Europe GmbH • Timex Creative Lab S.r.l. (f/k/a Timex Group Italia S.r.l.) • Timex Group Luxury Watches B.V. • Timex Group USA, Inc. • Timex Licensing Corporation • Timex Limited • Timex Nederland B.V. • Timex Pension Trustee Company Limited • Timex Resources Limited • Timex Trustee Corporation • Timex.com, Inc. • Timexpo Corporation • TMX Limited N.V. • TMX Manufacturers B.V. • TMX Philippines, Inc. • TX Group Europe Limited • TX Watch Company, Inc • U.K. Time Manufacturing, Ltd. • Vertime B.V.
Name of Committees of other Indian Companies in which he/she holds Membership	None
Name of Companies in which he/she has resigned in the past three years	<ul style="list-style-type: none"> • Giorgio Galli Design Lab S.r.l.

DIRECTORS' REPORT

To the Members of Timex Group India Limited

The Directors are pleased to present the Thirty sixth Annual Report and Audited Statement of Accounts for the year ended 31st March 2024.

FINANCIAL RESULTS AND PERFORMANCE

(Rs. in Lakhs)

FINANCIAL RESULTS	2023-24	2022-23
Revenue from operations (including other income)	42,168	38,378
Profit before Interest and Depreciation	3,517	3859
Less: Interest	383	532
Less: Depreciation	358	360
Profit before tax	2776	2967
Tax expense [Deferred Tax] *	692	(1685)
Profit after tax	2084	4652
Total comprehensive income	2077	4656

*The Company has recognised one-time deferred tax assets as at March 31, 2023 in the financial results for the year ended March 31, 2023 as it is considered probable that future taxable profits will be available.

Financial year 2023-24 has been another good year for the company. The Revenue from Operations (including other income) recorded growth of 10% while the profit before tax has fallen by 6% over the previous year.

Trade channel, including distribution, dealers, showroom and key accounts, continues to be the largest revenue contributor. E-commerce channel has grown remarkably during the year supported by successful new products and brands launches, increased contribution by Timex Global products, addition of JW.com for our fashion and luxury brands, tactical marketing initiatives and strategic initiatives including segregation of products across channels etc. E-commerce and OEM channels have continued to support profitability and cash flow. Luxury segment has continued to grow significantly over the last year. The business growth has been supported by growth in significant fashion brands business, focussed approach on E-commerce channel growth, launch of exciting marketing initiatives and higher consumer traction for Timex brand watches.

The global geo-political factors including Russia-Ukraine war, currency depreciation, steep increase in raw material cost, shortage and cost increase of electronic components for smart watches etc. continued to pose challenges for the business. However, tactful planning and execution helped manage their impact well. on.

During the year under review, we continued to move forward with our defined strategy of focussing on analog watches as the

core with smart technology products driving growth. We believe that the core analogue business will grow with the strong product portfolio with popular brands across the value chain. While Timex brand is our prime focus and major business contributor, our other brands such as Helix and TMX are expected to grow exponentially at the bottom of the pyramid. The strong array of our other brands in fashion and luxury segment including Guess, Gc, Nautica, Furla, Ted Baker, Adidas Originals, Philipp Plein, Plein Sport, UNLTD., UCB, Versace and Salvatore Ferragamo, will further help in increasing our market share and give ample choice to the consumer in these segments.

We have continued to surprise the consumer with our exciting new product launches, developing innovative new product lines and introduction of new international brands and products for the Indian market. Launch of new products at higher price points helped increasing the average price point.

Timex, our founding brand, continues to be the bedrock of the company's core product strategy focused on the analog segment. Celebrating its 170th anniversary, the Company could not be prouder of its legacy and watchmaking heritage. Just as we did 170 years ago, Timex continues to stand for value, accessibility, and attainability, with our number one goal being to put a well-crafted watch on consumer's wrist while leaving money in his/her pocket. We have been democratizing quality engineering since the beginning to bring consumers an innovative, well-crafted timepiece at an attainable price. Through our attention to detail and wide breadth of offerings, Timex continues to be synonymous with value for everyone.

Timex is not a watch, its an Icon. An icon is more than something people easily recognize; it's a symbol whose distinct qualities transcend time and resonate with people across generations. Since 1854, Timex has proudly stood out in embodying the spirit of American ingenuity, boldly shaking up a 300-year-old industry to craft quality, accessible timepieces, and carving out our place in time with a long list of firsts. To this day, we continue to be defined by our commitment to innovation, quality, and style.

During the year, we developed compelling new product lines that captured the imagination of the consumer and the market alike. Taking huge strides in its appeal across age groups, the brand offered new collections to be relevant for the consumer with our diverse range of watches with traditional and contemporary designs to cater to different preferences and budgets, providing consumers with exceptional craftsmanship, unique design elements, and innovative features.

Leading the charge were our three core franchises – Marlin, Waterbury, and Q which have shown great acceptance by consumers in India as they have around the globe. These launches have reinvigorated the focus on premium Timex.

Marlin is 1960s cool. It delivers substance and style in equal measure, with unwavering swagger. The original Marlin watches first debuted in the 1950s and matured into a centerpiece of Timex's broader collection in the 1960s. Today's Marlin collection draws inspiration from that era, pulling both from Timex archives and 1960s culture more generally. Timeless and sophisticated, this collection draws on the best of the past while continuing to push Timex's legacy of style, disruption, and quality into the future.

When the Waterbury Clock Company was founded in 1854, it upended the global timekeeping establishment, delivering high quality watches to the masses for the very first time. Today, the Waterbury collection continues to be Inspired by this same spirit. It is the quintessential expression of Timex watchmaking, combining classic timepieces with American sensibility while putting value—a fundamental part of any Timex watch—at its heart. Across this collection, Timex utilizes rich materials that showcases the brand's ability to craft high-quality watches with enduring designs at affordable prices. This Waterbury balances Timex's rich past with its pioneering spirit, always respecting what has come before while looking boldly to the future.

When the quartz crisis hit the watchmaking world in the 70's, Timex leveraged this upheaval to embrace this technological change and create a full range of quartz watches. Born of a great pivot, this collection showcases Timex's flexibility and agility, highlighting its ability to turn crisis to triumph. Today's Timex Q collection started with the launch of the much-loved 1979 reissue, soon followed by several new colorways, design refreshes, updates, and additional reissues within the original Q line. Bold, irreverent and confident, the Timex Q watches of today carry some of the stylistic references of the late 1970s and early 1980s and more fully the same ethos that courageously allowed Timex to embrace new technology and create precise, affordable watches with statement-making designs inspired by innovation and change.

Timex Fria collection, one of our fastest growing collections, features feminine and organic shapes, with an emphasis on exploring new crystal cuts and bracelet designs. The watches balance functionality with fashion, serving as both a timepiece and a statement piece of jewellery. The Fria collection received an overwhelmingly positive response from the market, which is a testament to its innovative design and attention to detail. Overall, the Timex Fria collection showcases the company's commitment to offering a diverse range of products that cater to different tastes and preferences, while also incorporating the latest trends and styles in the watch industry.

Crafted with compelling narratives that enhance our commercial opportunities, trend products allow us to extend our brand reach to new consumers through fashion and cultural trending moments.

Our youth fashion brand Helix was rejuvenated with a new brand identity and product DNA designed to offer stylish and affordable watches for young adults. Helix watches are designed to be functional yet fashionable, with a variety of styles and colors to choose from. The brand's collection includes watches for both men and women, with features such as water resistance, multi-functions, and colorful dials. Helix watches are perfect for everyday wear or for adding a touch of style to any outfit.

TMX, our budget brand performed well across India and continues to be a pillar of success for the company in tier 2/3 markets. With introduction of new segments such as kids, fashion, and workwear, TMX has carved a good trajectory for itself and is poised to grow well. TMX offers affordable yet stylish watches for consumers looking for budget watch.

The fashion and luxury segment forms a significant part of the overall watch market and is growing well driven by factors like rising disposable income, increasing exposure to international brands, and growing demand for high-value products etc. With prominent international fashion brands in its portfolio, the Company is well positioned to grow this segment and increase its market share. We moved ahead in this direction with a focussed approach on new product introductions, product lifecycle management supported by attractive consumer offers and promotions, network expansion and business development, product launch events, influencer collaborations and investment in visual merchandising.

Guess brand watches continued to establish its fashion authority through introduction of disruptive designs for both men and women, new dial treatments and continuously elevating the collection architecture through new product introductions in already loved phoenix and headline watches which continue to contribute significantly to Guess business from Men's category. Gc continues to introduce radically new case designs and surprise customers through exciting new products. The association of Guess & Gc with their brand ambassador, Georgina Rodriguez, famous Spanish Argentine model, influencer and TV celebrity has helped further increasing traction for these watches.

During the year, we introduced PLEIN SPORT watches in India. Strategically positioned between fashion lifestyle and sportswear, PLEIN SPORT is the new frontier of activewear in the luxury segment. With its hyper-futuristic approach, PLEIN SPORT has innovation welded into its core concept. Cutting-edge shapes, and incomparable innovative designs, combined with the thrill of the ultimate sporting performance experience, create a stylistic proposal that aims to highlight the brand's specific and autonomous DNA. PLEIN SPORT watches are designed uniquely with style and comfort. Celebrating the determination and agility of the Tiger as the majestic symbol that guides the PLEIN SPORT universe, distinctive stylistic elements are developed all over the product.

In addition to its focussed approach on analogue watches, the Company continued to offer value products in tech & wearable

segment. To cater to the demand of the fitness conscious Indian consumer, the Company offered its tech product portfolio to meet a variety of price points and feature concepts across its brands like Timex, iConnect by Timex and Helix. With the right mix of performance and style, the Company's tech portfolio presents compelling product choices for the Indian consumer of today. As a 'Future Fit' Company, made in India technology products will remain a focus of the Supply Chain strategy and in this direction, the Company has completely moved the smart watch assembly to India. For growth of this segment, the Company will increase the frequency of new products launches and lower the price points to be more competitive and relevant.

The business was supported with aggressive marketing investment in the brand to create mass awareness about Timex and its new global positioning. We continued our sponsorship of India Beach Fashion Week, which was scaled up from associate sponsor last year to lead sponsor this year. This is part of our initiative to constantly reinforce the fashion quotient of the brand. This was followed up with a high decibel multimedia campaign as sponsors of the Tata IPL defending champions team 'Gujarat Titans'. Timex was the official timekeeper of the Gujarat Titans and was part of the team's uniform. While the logo placement on the GT uniform helped in wider reach to audience, we also extensively marketed the campaign "Timex – Choice Of The Titans" during Tata IPL 2023 across multiple mediums like sponsorship of India's Best Dancer on Sony TV, Times Of India print ads, Radio City – Cricket Ka Blockbuster, ads during Jio streaming, and outdoor campaign in key cities with high distribution footprint.

As a part of this trend, our global brand campaign "Waste More Time" was launched in India along with Ananya Panday as the face of the brand. Ananya reflects the youth and has wider reach across social media. The idea of 'Waste More Time' was seeded during our IPL campaign itself, where Shubman Gill was shown as practicing extra hours while his team felt he was wasting time somewhere. Ananya Pandey takes this further ahead in 3 pathbreaking films, where she is doing what brings her joy, doesn't matter if others think its a waste of time. May it be her attempt last Diwali to twin with her dog, or she talking to plants as part of our Spring summer launch this year. The third film, slated for Q2 this year shows Ananya curating a fine selection of books, only to balance it on her head in a fun mood.

"Waste More Time" Campaign was launched pre Diwali with a social media collaboration with Ananya Panday and strong media support. Timex sponsored Indian Idol on Sony TV as part of this campaign, and reinforced this with Outdoor in premium locations, and a slew of influencer marketing content all curated as per the spirit of waste more time, if it makes you happy.

Apart from mass media, there was strong focus on ongoing media engagement and events through PR and season showcase events. Timex UFC range was launched in the presence our ambassador Anshul Jubli. Anshul is the face of UFC in India. He is the only Indian yet to have won a UFC match and the second Indian to win a UFC contract. The year also saw Guess & GC showcase at an influencer studded event.

This year also saw the launch of Timex Group Partner Event called TGP 23; a first of its kind company event where we invited all channel partners from across the country to showcase to them our upcoming collections across brands. The event also had a fashion show as a highlight where each of the brands across our business units TBU, TGLD, Sequel and FLD was showcased in a curated environment through models and attire that exude the spirit of each brand. This will be an annual affair to help us build deeper relationships with our channel partners and collaborate more effectively for business.

Further, E-commerce and E-tail performance marketing saw a renewed focus given the consumer behavior shift. We also launched the iconic Timex franchises like Q Timex, Waterbury and Marlin on the Timex India shopping website. This along with a renewed focus on marketing, led to a sharp growth

Apart from direct to consumer platforms, we also accelerated the marketing efforts on e-tail market places like Flipkart, Amazon, Myntra and Tata Cliq. In order to compliment the e-tail business, we launched the brand UNLTD as a Flipkart exclusive to begin with. UNLTD, with the famous Rhino symbol, is a streetwear brand, synonymous with music culture and diversity seamlessly blending music, design, illustration, video games, action sports, and more, creating a unique fusion of styles.

Retail marketing and brand reinforcement at the point of sale has been a strong focus especially in large format stores. For brand Guess, we sponsored the Watch Fest @ Lifestyle across our Top 30 doors with them. We also rolled out the Ananya Panday Waste More Time campaign across all leading points of sale. Influencer marketing combined with store visits is being used as a consistent tool to drive both brand awareness as well as point of sale awareness across the Group brands.

Our state-of-the-art facilities coupled with our expertise in product design, supply chain, after sales services etc., all available at a single point, have helped to grow OEM as a separate business vertical and a significant revenue contributor. During the year, the Company has worked as an OEM partner with Lavie, Woodland and Flipkart and Myntra for some of the most prestigious consumer brands in the industry. The Company will continue to grow OEM vertical with focussed business development measures.

Dividend

In view of the accumulated losses, the Board of Directors has not recommended any dividend for this year. The Company does not propose to transfer any amount to General Reserve on account of accumulated losses.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has

formulated and adopted the Dividend Distribution Policy. The Policy is available on our website at - <https://www.timexindia.com/wp-content/uploads/2023/06/Dividend%20Distribution%20Policy.pdf>

CHANGES IN SHARE CAPITAL

There was no change in the equity share capital during the year under review.

1,57,00,000 13.88% Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- each held by M/s Timex Group Luxury Watches B.V. (TGLW), the Holding Company, were due for redemption on March 26, 2024. However, due to accumulated losses and non-availability of distributable profits, the Company could neither redeem these preference shares nor declare / pay dividends on the same. Also, the Company was not in a position to issue fresh shares for the purpose of redemption of the said preference shares.

Accordingly, pursuant to Section 55(3) of the Companies Act, 2013, the Company has sought approvals of Hon'ble National Company Law Tribunal (NCLT), Delhi and the Reserve Bank of India for issuance of 2,73,15,264 Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- each at par for cash to TGLW on private placement basis, for the purpose of redemption of the said shares. The total amount (Rs. 27,31,52,640/-) is equivalent to the value of the redemption amount (being Rs.15,70,00,000/-) plus the unpaid accumulated dividend till the due date of redemption (being Rs.13,03,91,380/-) on these shares, less the tax to be deducted at source (being Rs.1,42,38,740/-). The Company is waiting for the approvals for further action.

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC CONDITIONS AND OUTLOOK

According to Reserve Bank of India's May Bulletin, the outlook for the global economy is turning fragile as the descent of inflation is stalling, re-igniting risks to global financial stability. Capital flows have become volatile as nervous investors turn risk averse. There is a growing optimism that India is on the cusp of a long-awaited economic take-off. Recent indicators are pointing to a quickening of the momentum of aggregate demand. Non-food spending is being pushed up by the green shoots of rural spending recovery. A modest easing of headline inflation in the reading for April 2024 confirms the expectation that an uneven and lagged pace of alignment with the target is underway.

Internationally there is a growing optimism that India is on the cusp of a long-awaited economic takeoff, the Bulletin noted. While revising India's GDP growth upwards by close to 2 percentage points for 2023-24, the IMF's April 2024 World Economic Outlook (WEO) alludes to the robustness of growth expected in 2024 and 2025 as reflecting continuing strength in domestic demand and a rising working-age population. The OECDs May 2024 Economic Outlook points to strong momentum in India in recent monthly indicators and expects strong investment and improving business confidence in India to sustain real GDP growth. There is considerable appreciation about the dramatic reduction in

poverty. The World Bank estimates that at the height of the pandemic in 2021, only 12.9 per cent of the population lived on US\$ 2.15 a day the global benchmark for extreme poverty. More recent estimates show that extreme deprivation, once considered synonymous with India, is set to become extinct.

OVERVIEW OF WATCH INDUSTRY

The financial year 2023-24 has been another good year for the overall watch industry where the industry grew after recovering from the impact of COVID-19 and low consumer demand. E-commerce and E-tail has seen higher growth over the retail channel which shows the consumer interest and choice of channel for spending.

We believe that the overall watch market size will continue to grow well and the fashion and luxury segment will have a higher chunk of growth. The smart wearable product market is also growing alongside the analogue.

GROWTH DRIVERS OF THE COMPANY

With its strategic projects both for organic and inorganic growth, the Company is focussed to maintain the growth momentum and achieve sustainable growth. In line with the growth plan and to keep pace with the fast-changing business environment, the Company has identified the following key growth drivers:

Growing E-commerce channel and increasing points of Sale in other channels:

The E-Commerce channel has emerged as the preferred shopping channel and has been growing at a fast pace over the years. We believe that this channel will continue to grow at a faster pace when compared to other channels with the increasing internet users, growing online shopper base, growing comfort for online shopping, enhanced shopping experience and e-com platforms serving majorly the whole of the country.

The Company will continue to focus on increasing its market share in e-commerce segment through various measures including launch of exciting products through all key portals in E-commerce channel, direct online sales through brand websites, increasing and improving presence on all major e-commerce portals, offering more Timex Global collections, offering more fashion and luxury brand products and international range of products on this channel, engaging with consumer through exciting marketing initiatives alongwith special range of products, new launches, exciting exclusive and collab products etc. In addition to e-commerce on third party portals, the Company will also continue its focus on growing the business through its brand websites as it has its own long term advantages such as brand authenticity and consumer loyalty.

Trade channel, including distribution, dealers, showroom and key accounts continues to be our largest and profitable channel. Our focus will continue to be on increasing our market share

by increasing our reach along the length and breadth of the country. This channel will be grown by increasing the points of sale, increasing and improving the product line at shop floors, introduction of exciting new products range, international product range, giving consumer more choice with fashion and luxury brand products, better and improved marketing initiatives alongwith improved shop floor fixtures and furniture to give better shopping experience to the consumer etc. We will continue to grow Tier II / III markets with exciting range of affordable brands and products alongwith localised marketing interventions. Our wide variety of products ranging from mass to fashion to luxury and from Indian to international brands will help grow this segment. During the year, we have completely revamped our retail business model which will help growing our business through exclusive stores. Acquisition of 'Justwatches' brand alongwith premium retail stores will also help growing this channel. Improved marketing initiatives, branding, consumer engagement and international range of products will help growing our business in the large format stores.

During the year under review, Timex Group acquired "Justwatches" brand which is a renowned watch retail brand known for its unmatched multi brand watch retailing services. This is in line with our strategy of increasing our retail footprint in the country. The Company has taken over selected 'Justwatches' stores across the country and also the online webstore www.justwatches.com and is running them to reach to our consumer through our authorised franchisees. These premium stores located in luxury malls across the country will offer watches of all Timex Group Brand at one place giving ample choice to the consumer. This deal fits perfectly in Timex's mission to stay close to its consumer. More than a decade old, 'Justwatches' has been a favourite destination for watch lovers for years. It has successfully delivered an excellent retailing ambiance, constant innovation, and service to its strong consumer base over all these years. Supported by its online shopping platform, 'Justwatches' has been able to truly provide its consumers with an omnichannel shopping experience.

Product portfolio:

The Company has built up one of the most formidable portfolios of watch brands in the Indian market, bolstered by its global organizational structure and an extensive depth of knowledge and experience in design and manufacturing. Company's impressive range of products spans a diverse array of categories, from luxurious statement timepieces to practical and functional everyday watches, as well as cutting-edge tech wearables. This comprehensive product portfolio is not only compelling but also purposefully designed to facilitate sustained growth in an ever-evolving business environment.

1. Timex Business Unit

We continue to move ahead with our defined strategy of owning the analog segment unleashing our 170 years' experience in keeping time for the world. The core analogue business will grow with the strong product portfolio with popular brands across the value chain. While Timex will

continue to be our prime focus, Helix and TMX will grow exponentially at the bottom of the pyramid.

The Company will continue to launch heritage products and trend-based collections under the Timex brand, including such celebrated collections as the Waterbury, Marlin, and Q series. These sought-after collections have rapidly gained consumer favour and acclaim, and the Company remains dedicated to launching more such captivating collaborations.

- **Timex Core Franchise**

As our key growth driver, the Timex Core Franchise are globally recognizable, quintessentially Timex and embodies the brand's DNA of craftsmanship, quality, and affordability. Our core collections offer craftsmanship, accessibility, and breadth, embodying the true Timex DNA.

Our mission is to drive transformative growth by evolving our mainline offerings and leveraging our successes in Direct-To-Consumer (DTC). Collaboratively, with our sales and marketing teams, we are dedicated to crafting strategies that fuel robust development and expansion across all distribution channels.

- **Collaborations and Reissues – Innovative product stories and collaborations that drive new consumers and expand product reach**

Timex is committed to pioneering innovative product narratives and collaborations. Our mission is to captivate key demographics, from trendsetters to Gen-Z, elevate the visibility and credibility of the Timex brand, boost revenue, and foster connections with premier global retailers. We strive to be an incubator, consistently pushing boundaries in main line product development.

To date, we've forged collaborations with prominent streetwear and lifestyle brands, aiming to engage new consumers. Our goal is to showcase our credibility in the fashion world by leveraging our watchmaking expertise and the renown of our partner.

- **Multi-year partnership products bring in new consumers while amplifying the Timex brand narrative**

In the realms of gaming, entertainment, and comics, our partnerships are strategically crafted to amplify brand narrative and elevate revenue by tapping into passionate fans. This product line extends our reach to new audiences through long-term partnerships such as UFC.

- **Reissues: A success story from day 1, our Timex reissues allow us to bring heritage to watch enthusiasts**

Our Reissue series brings back some of our most iconic designs from the 1960s and 1970s. The Q Timex Reissue in particular, surpassed all expectations. The 1979 Reissue sold out 3x worldwide since launch. So, we've decided to turn it into a key franchise for the brand, with new drops every season.

- Fria

Women's statement watch collection, Fria, will be further enhanced with fresh, innovative, and attractive designs. This segment remains a focus area for the Company and will be strengthened with product and marketing in the seasons to come. Designed for the modern woman, the collection will continue to build upon the strong base established in years prior and speak to the multifaceted woman of today.

In addition to the unwavering focus on the Timex brand, the Company's impressive range of products spans a diverse array of categories, from luxurious statement timepieces to practical and functional everyday watches, as well as cutting-edge tech wearables. This comprehensive product portfolio is not only compelling but also purposefully designed to facilitate sustained growth in an ever-evolving business environment.

- TMX: Designed with style and affordability in mind; an optimal choice for price-savvy consumers

In our view, Tier-2 and smaller towns are emerging as the new centres of economic revival and growth, and as such, are expected to fuel sustainable growth. Tactical and targeted to win at point of sale, our TMX portfolio will continue to feature elevated style mixed with affordability, making it the perfect watch for our consumers across the various towns and cities of the country.

- Helix

With its brand-new identity, Helix brand will see a rejuvenated product portfolio that is a true reflection of the aspirations of youth of the country.

2. Fashion and Luxury Products

The Company boasts of a strong portfolio in the international fashion and luxury brands. With Guess, Gc, Nautica, Furla, Ted Baker, Adidas Originals, Philipp Plein, Plein Sport, Versace, Salvatore Ferragamo and UCB, this segment is well-positioned to capitalize on the growing demand for fashion and luxury brands in India and is expected to continue to be a significant contributor to the company's growth in the years to come. The Company will continue to further strengthen up its brand portfolio by launching popular international lifestyle and fashion brands in India to cater to the high demand in the Premium Fashion, Bridge to Luxury and Luxury segments driven by upper middle-class customers and the continued affinity for international brands. The enhanced fashion and luxury brand portfolio will help gain better visibility and counter share in retail formats.

3. Tech products and wearables

Tech products and Wearables have seen strong growth across geographies. The Company has a robust product pipeline across the brands Timex and Helix to meet the demands of the fitness conscious Indian consumer at a variety of price points and feature concepts. The Company will continue to focus on strengthening its technology product road map.

The initiatives in product are driven by key insights on consumer and market and enabled by the deep technological and infrastructure strength of the Company. Projects to segment the company's offerings into distinct categories based on specific characteristics or attributes are underway. With the goal of creating a more targeted marketing strategy that addresses the unique needs and preferences of each segment, allowing for more effective communication and product development, this strategic project will drive the new product introductions in the seasons to come.

Innovation remains one of the cornerstones of the Company's growth strategy, with a steadfast focus on delivering products that leave a mark on the minds of consumers at a variety of price points. Looking ahead, the Company will continue to drive innovation while keeping a keen eye on emerging trends, all the while maintaining a strong connection with its rich heritage and legacy.

Increasing Marketing initiatives:

Timex is an iconic American brand and has always evolved with time. Timex stands for and exudes the mega trend of "Analog Life" prevalent these days, especially among the youth. In a world that rushes past, Timex invite you to take a moment – a moment to pause, reflect, and appreciate the subtle details that make life extraordinary. Timex stands as a testament to the joy of analog, and the enduring charm of the tangible. A Timex is a reminder that time belongs to you. As part of 170 years of Timex campaign, owning this Analog Life space is the next big focus for Timex.

The brand has remained relevant for ages, and we will continue to position it for a newer and evolving consumer base for future relevance. We will continue to leverage digital channels in order to portray the brand's uniqueness through iconic global products. We will continue to focus on smart digital strategies to increase customer engagement.

The company is on a growth path and we will look to increase our share of voice in media to support the new launches planned through the year. To begin with we have plans for adding another male celebrity endorsement in near future. This will complement the Ananya Pandey campaign and take it forward to a larger audience. We are also looking to associate with more fashion events that will continue to reinforce the fashion quotient of the brand.

Apart from Timex, Guess, and Versace, we have also reinforced the marketing efforts across the groups licensed brand portfolio like Philip Plein, Plein Sport and UCB watches. 'Justwatches' is the pivot for this marketing as it provides an offline, web and social media presence which can be used to amplify the digital and PR messaging initiatives of all our brands. Building 'Justwatches' as the trusted home for premium and luxury watches will play a strong role in supporting the marketing and awareness of the Group's premium and luxury licensed brands.

Strengthening our manufacturing capability:

Our most advanced, well-equipped and sophisticated manufacturing facility in Baddi, Himachal Pradesh is fully capable to fulfil all our product requirements. Baddi facility is fully equipped with advanced state of the art technology and equipment and well experienced watch makers to produce high quality watches. The facility has best of the class certifications such as SA 8000:2014 and ISO 45001:2018. It can assemble a wide array of exciting products ranging from basic Quartz Analog and Digital models including Ana-Digi watches to the technically advanced watches including the Automatic, Intelligent Quartz, Activity trackers and connected products (Smart watches) and some of them having the Indiglo night light feature also.

In addition to assembling Timex Group brand watches, Baddi facility has very well fulfilled license brand and the OEM brand requirements for partners with high quality watches. These watches have been well appreciated by partners and ultimate consumer. We will continue to explore more such opportunities to leverage the Baddi facility.

Internal and External stakeholder support:

The Company's business is supported by a team of highly skilled, experienced and motivated employees. The Company has been able to maintain low attrition rate and retain its experienced manpower by providing best of the class facilities, professional work culture and a friendly and fully engaged work place to its employees. The Company has a strong network of partners for both backend and frontend integration. These resources are crucial for our growth and we will continue to invest / improve them further.

OPPORTUNITIES AND CHALLENGES

The Indian watch industry has strong growth potential which is substantiated by the following factors:

1. India has very promising macro-economic factors including positive growth outlook of Indian economy, inflation coming under control, government's boost for increasing demand and per capita income, Indian demography, urbanization, and increasing fashion spends of Indian population, are all assuring long term growth of the country. This will boost overall consumer demand and specifically demand for more discretionary goods including watches.
2. With the huge growth potential in lower tier cities, the business is expected to grow at faster pace.
3. Wrist watch penetration is very low in India which provides huge untapped potential to cover.
4. Traditional analogue watch segment has ample room to grow and majority of the Indian consumers still like to wear them compared with smart wearables.
5. The consumer demand will be further supported by consumption story led by the young (Millennial & Gen Z), digital savvy, low median-age (<30 years) and rising middle class consumers.

6. Growth of the new age digital sales channels such as e-commerce, online and omni channels will support growth of the overall watch market size.
7. Demand in watch industry will get boost from surge in aspirational consumer with high disposable income and premiumizing across categories.
8. Technology based products such as smart watches, bands and wearables are growing and are expected to further grow at a faster pace and will increase the overall size of watch market.
9. The Private Labels providing affordable products, capturing gap between unbranded and branded products and high retailer margin will support in further growth of the watch industry.
10. Strategic initiatives including OEM business will focus on boosting revenue, higher capacity utilisation and reduction in overheads.

RISKS & THREATS

A well-defined risk management framework has been put in place to identify, evaluate and assess the potential risks and challenges and determine the processes to mitigate and manage the same. The Risk Management Committee periodically reviews and assesses the key risks. The potential risks to the operations are identified, evaluated, managed and monitored regularly. The Board periodically reviews the risks and suggests steps to be taken to mitigate and manage the same. The Company has identified the below specific key risks:-

• Financial Risk

1. Substantial part of the net worth of the Company has been eroded by the accumulated losses of the past years. However, the operational performance of the Company has significantly improved during the last couple of years and is expected to improve further with the focussed approach to strengthen the bottom line. While accumulated losses will be wiped off from profits over a period of time, the Company continues to recognize and monitor this risk closely.
2. Foreign exchange fluctuations with a falling rupee pose a risk for the Company's margins as the Company imports significant amount of material. The Company is integrating with the Timex Global supply chain and taking measures to indigenise and develop indigenous vendors which will reduce the impact of adverse exchange rate fluctuations on the Company's margins.

• External Environment

1. Majority of the products sold by the Company are assembled in Baddi factory which in turn is dependent upon continuous supply of material from its vendors in and outside the country. Non-availability of material from these vendors may pose

short term imbalance and disturbance in the supply chain. The supply chain team is regularly working on diversifying the vendor base to mitigate this risk.

2. Technology and fashion products are witnessing fast growing demand. Fitness trackers and smart watches will also continue to grow. Growth of this segment might impact analogue business. To mitigate this risk, the Company has made a solid technology product roadmap and has introduced series of such products which have seen huge success. The Company will be coming out with more technology products for the users of this category. Further, the Company has added highly renowned international fashion and luxury brands in its portfolio and will continue to add more to support the growth in analogue segment.
3. With the increased penetration of internet, digital sales channel will grow faster. E-commerce sales, omni channel sales and online sales through the brand websites and e-retail venture are the focus areas for next level of growth. Currently, the retail channel including distribution, dealers, showroom and key accounts constitute major part of our revenue. The Company will increase its share in the online sales with its increased presence over all e-commerce portals and brand website.
4. Competition is increasing its investment in brand campaigns and is adopting price reduction techniques to disrupt the market. The Company believes that continuous innovation is key to success. Timex Group Global Design Centre located in Milan, and the Global Supply Chain organization supports the Company in creating differentiation and bringing cutting edge technology and designs to a highly competitive marketplace. By thinking and acting both locally and globally, we are constantly challenging ourselves to look at the future.
5. For OEM business, the Company is majorly dependent upon Flipkart and this business has other risks including high quantity and short lead time, low margins, pressure on production lines/ vendor capacities, impact on Timex main business on backend as well as frontend etc. This risk will be mitigated with OEM business development with other partners in apparel and retail category.
6. The world is moving towards digitization. Data has become the most important asset and has the potential to grow the business exponentially. For sustainable future growth, it is important to drive digital and encourage innovation across all functions. If the Company fails to adapt to digitalization, it may be left behind the competition and may lose business opportunities.
7. Fake / counterfeit products continue to pose challenge for the watch industry. The Industry needs to counter

this collectively. The Company keeps a close watch on counterfeit products and has been regularly taking legal action against counterfeiters.

• Labour risk at Baddi plant

Our Baddi facility has inherent labour risks of loss of trained manpower, labour movement, labour unrest, strike etc. With more watch assembly units being set up by competition in the country, we face risk of losing our technically trained manpower. Further, it is also important to upgrade the skill set of our labour in line with the rapidly changing nature of work and skills.

Our employees are our biggest asset and we need to always keep them motivated and engaged to enable them to contribute to Company's growth. We have set up well defined policies and systems for recruitment and appraisal of employees at factory. With regular on-the-job training and job rotation, we ensure that we have seamless availability of trained and skilled manpower. Employees are motivated with reward and recognition programs, employee engagement activities, welfare activities etc. The Company's environment, health and safety policies have been certified by world class certifications such as SA-8000 and ISO 45001:2018. All labour related issues are handled proactively and prompt action is taken to avoid any adverse situation.

• Other Risks

Other risks include the usual risks relating to information technology (IT), business continuity and disaster management, retention of key personnel, compliance of various laws, contractual obligations, litigation risks, risks relating to the general macroeconomic environment including risks associated with political and legal changes, changes in tax structures, commercial rules & laws. These are analyzed regularly and measures are taken to mitigate the same.

DIRECTORS

Composition

The Board of Directors comprises six (6) Directors with three (3) Independent Directors, two (2) Non-Executive Directors and One (1) Managing Director.

Appointment/ Resignation from the Board of Directors/Key Managerial Personnel

Ms. Gagan Makar Singh, Mr. Pradeep Mukerjee and Mr. Bjiou Kurien, Independent Directors of the Company, completed their second and final term as Independent Directors effective from the close of business hours of March 31, 2024 and accordingly, ceased to be Independent Directors and members of the Board of Directors of the Company. The Board of Directors places on record their deep appreciation for the wisdom, knowledge and guidance provided by Ms. Gagan Makar Singh, Mr. Pradeep Mukerjee and Mr. Bjiou Kurien during their tenure.

Based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the Members and in accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board of Directors, appointed Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar as Additional Directors in the capacity of Independent Directors of the Company, not liable to retire by rotation, for a term of 5 years commencing from February 1, 2024 till January 31, 2029. On March 24, 2024, the Shareholders of the Company, by way of special resolutions passed through postal ballot, approved the appointment of Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar as Independent Directors of the Company for the abovementioned tenure.

Further, based on the recommendations of the Nomination and Remuneration Committee and in terms of the provisions of the Companies Act, 2013, the Board, on February 1, 2024, appointed Mr. Marco Zambianchi as an Additional Director of the Company. On March 24, 2024, the Shareholders of the Company, by way of an ordinary resolution passed through postal ballot, approved the appointment of Mr. Marco Zambianchi as a Non-Executive Director of the Company. He will be liable to retire by rotation.

Mr. Sylvain Ernest Louis Tatu, Non-Executive Director of the Company resigned from directorship of the Company, effective from November 27, 2023, due to his personal reasons.

In terms of the provisions of the Companies Act, 2013, Mr. David Thomas Payne, Director of the Company, retires at the ensuing annual general meeting of the shareholders of the Company and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. David Thomas Payne forms part of the Notice convening the ensuing annual general meeting.

Apart from the changes provided above, there were no other changes in the Directors or Key Managerial Personnel during the year.

Declaration by the Independent Directors

Pursuant to the provisions of Section 149(6) of the Act and Regulation 16(1)(b) and 25(8) of the Listing Regulations, the Company has received declaration from all Independent Directors confirming their compliance with the criteria of independence and their independence from the management. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

In the opinion of the Board, all Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of business management, retail, sales and marketing, manufacturing, banking, finance and tax, governance and risk, human resources, strategy etc. and that they hold highest standards of integrity.

All Independent Directors of the Company have registered themselves with the Independent Directors’ Database maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Company has also received confirmation from all Independent Directors regarding their compliance with the Company’s Code of Conduct during the FY 2023-24.

Number of meetings of Board of Directors

Eight Board meetings were held during the financial year 2023-24 on April 14, 2023, May 17, 2023, May 23, 2023, July 14, 2023, August 9, 2023, November 3, 2023 and two meetings on February 1, 2024. All directors attending the meeting actively participated in the deliberations at these meetings. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. More details of the Board meetings have been provided in the ‘Report on Corporate Governance’.

COMMITTEES OF THE BOARD

The Board has constituted the following Committees pursuant to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders’ Relationship Committee
4. Risk Management Committee
5. Share Allotment and Transfer Committee

More details with respect to the composition, powers, roles, terms of reference, etc. of these Committees are given in the ‘Report on Corporate Governance’ of the Company which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has, on the recommendations of the Nomination and Remuneration Committee, adopted a Nomination and Remuneration Policy which contains the process and guidelines to be followed for identification, evaluation and fixation of remuneration of directors, key managerial personnel and other employees and other matters as prescribed under the Companies Act, 2013 and Listing Regulations.

The Policy has been drafted mainly to deal with the following matters, falling within the scope of the NRC:

- to institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed as KMP and/or in senior management/ other employees and recommend to the Board of Directors their appointment and removal from time to time;
- to formulate the criteria for determining qualifications, positive attributes and independence of Directors;

- to establish evaluation criteria of Board, its Committees, individual Directors, key managerial personnel, senior management and other employees;
- to establish processes for fixation of remuneration of Directors, key managerial personnel, senior management and other employees.

The Nomination and Remuneration Policy is available on the website of the Company i.e. www.timexindia.com. It is affirmed that the remuneration paid to Directors, key managerial personnel and all other employees of the Company is in accordance with the Nomination and Remuneration Policy of the Company.

EMPLOYEE REMUNERATION

Pursuant to 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 and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in the Annual Report, which 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 are provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

FORMAL ANNUAL EVALUATION

The Board has carried out performance evaluation of itself, its Committees and each of the Directors (without participation of the concerned director). The Independent Directors collectively assessed the Board's performance, as well as the performance of the Chairman and other non-independent Directors.

The performance evaluation concluded that each individual director, Committee, and the Board as a whole, were operating efficiently and effectively. They shared a common vision aimed at translating organization goals into reality.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Whistle Blower Policy of the Company provides a mechanism for employees, Board Members and others to raise good faith concerns regarding violations of any applicable law/ Code of Conduct of the Company, gross wastage or misappropriation of funds, substantial or specific danger to public health and safety, abuse of authority or unethical behaviour. This policy aims to protect the individuals who take such actions from retaliation or any threat of retaliation and also provides for direct access to the Chairman of the Audit Committee. The Audit Committee reviews the functioning of the Vigil mechanism from time to time.

The incidents reported under the Policy are thoroughly investigated, and appropriate action is taken in accordance with the Policy.

The Whistle Blowers are not denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are given in the Report on Corporate Governance and are also available on the website of the Company at the link www.timexindia.com.

POLICY ON PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has framed, a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, b) Code of Fair Disclosure and c) Policy on investigation in case of leak / suspected leak of unpublished price sensitive information. The Company's Code, inter alia, prohibits dealing in the shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made any investments covered under Section 186 of the Companies Act, 2013 during the year under review.

RELATED PARTY TRANSACTIONS

Pursuant to the provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has, on the recommendation of the Audit Committee, adopted a Policy to regulate transactions between the Company and its Related Parties. This Policy has been uploaded on the website of the Company at https://www.timexindia.com/wp-content/uploads/2022/03/RPT-policy_24- march_2022.pdf

All the related party transactions executed by the Company during the year were in the ordinary course of business, on arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Omnibus approval of Audit Committee is obtained at the beginning of the financial year for the related party transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

None of the related party transaction entered during the financial year fall under the scope of section 188(1) of the Companies Act. Accordingly, the disclosure of related party transactions as required under section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company and hence does not form part of this report. The details of the related party transactions entered during the year are given in the financial statements of the Company.

FINANCE

The Company has neither invited nor held any fixed deposits. There were no overdue / unclaimed deposits as on 31st March, 2024.

During the year under review, the Company made payment, net of credits, aggregating to Rs. 7,943 Lakh by way of Central, State and local sales taxes and duties as against Rs. 6,985 Lakh in the previous year.

SEGMENT WISE REPORTING

The segment wise information for watches and other activities are provided in the Notes to the Accounts..

LISTING

The Equity Shares of the Company are listed on the BSE Ltd. The annual listing fee for the financial year 2024-25 has been paid to the Exchange.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal control systems, commensurate with size, scale and complexity of Company's operations to ensure compliance with policies and procedures. The Company has also adopted policies and procedures for ensuring the orderly and efficient conduct of its business, 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 disclosures.

The internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority levels and processes.

The Audit Committee regularly reviews the systems and operations to ensure their effectiveness and implementation. The Internal Auditors and Statutory Auditors regularly attend Audit Committee meetings and convey their views on the adequacy of internal control systems as well as financial disclosures. The Audit Committee is briefed about the corrective actions taken by the management on the audit observations. The Audit scope is regularly reviewed by the Audit Committee for enhancement/ modification of scope and coverage of specific areas. The Statutory Auditors review the internal financial controls periodically.

AUDITORS AND AUDITORS' REPORT

a. Statutory Auditors

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), have been appointed as the Statutory Auditors of the Company by the shareholders in their 34th annual general meeting, to hold office for the second term of 5 years from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

The Report given by M/s Deloitte Haskins & Sells LLP, Statutory Auditors on the financial statement of the Company for the year 2023-24 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

b. Secretarial Auditors and Secretarial Audit Report

M/s NKJ and Associates, Company Secretaries (Certificate of Practice No. 5233) have carried out the Secretarial Audit of the Company for the financial year 2023-24. The Report given by the Secretarial Auditors is annexed as **Annexure A** and forms integral part of this Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

They have undertaken the audit considering all the applicable compliances as per the Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by the Secretarial Auditors has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year.

During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

In terms of Section 204 of the Companies Act, 2013, the Audit Committee recommended, and the Board of Directors appointed M/s NKJ & Associates, Company Secretaries (Certificate of Practice No. 5233) as the Secretarial Auditors of the Company for the financial year 2024-25. The Company has received their consent for appointment.

HUMAN RESOURCES

Our experienced, talented and motivated manpower is our key to successful operations and achieving our growth plans. We are committed to hiring and retaining the best talent. Our efforts and initiatives are driven towards promoting a collaborative, transparent and participative organization culture, and rewarding individual contribution and innovation. Growth and development of the manpower is a regular focus area and we will continue to invest in this. We regularly organise training programmes to sharpen employee skills and conduct employee engagement activities to keep the employees fully motivated and engaged.

We provide good work culture and regular growth opportunities to our employees which is the main reason for low attrition rate. Our succession planning roadmap for critical roles at the senior leadership ensures seamless availability of competent talent.

Our policies are driven towards the culture of performance and meritocracy at all levels of the organisation. Smart KRAs and KPIs are agreed in the beginning of the year in line with the Company's growth strategy and plan. The goals and objectives are defined and tracked in an online performance management system. Performance appraisals are also linked with these smart goals and objectives.

During the year under review, an employee engagement survey was conducted through an external professional firm to take anonymous feedback of employees from across the organisation about the policies, practices, work culture and environment, collaboration, strategy etc. and the response was very encouraging. The Company has also undertaken other measures including identification of high potential employee, successors, key roles to drive special initiatives for such resources. An external salary benchmarking exercise was also undertaken to identify the gaps, if any, between the salary levels in the company and other companies in similar industry.

As on 31st March, 2024, our team consists of 335 very efficient and dedicated employees across the country.

SIGNIFICANT CHANGE IN KEY FINANCIAL RATIOS

The Net Profit Margin was at 5% for the financial year ended March 31, 2024 as compared to 12.1% for the previous financial year. The ratio has reduced by 59% mainly due to change in deferred tax (deferred tax expense recognised in current year as compared to deferred tax income in previous year) and higher marketing and sales promotion partially offset by higher sales/business performance.

The Operating Profit Margin of the Company was at 8% for the financial year ended March 31, 2024 as compared to 10% for the previous financial year.

The interest coverage ratio was at 8.25 for the financial year ended March 31, 2024 as compared to 6.58 for the previous financial year. The ratio has improved by 25% due to reduction of interest expense on account of repayment of borrowings during the year.

The current ratio was at 1.85 for the financial year ended March 31, 2024 as compared to 1.47 for the previous financial year. The ratio has improved by 26% on account of increase in inventory as compared to previous year on account of introduction of new product during the year, and also increase in cash and cash equivalent.

The Debt Equity ratio was at 0.02 for the financial year ended March 31, 2024 as compared to 0.41 for the previous financial year. The ratio has improved by 95% mainly due to repayment of borrowings through cash generated from operations during the year.

The Debtors turnover ratio was at 8.09 for the financial year ended March 31, 2024 as compared to 7.6 for the previous financial year.

The Inventory turnover ratio was at 2.41 for the financial year ended March 31, 2024 as compared to 2.91 for the previous financial year.

The return on net worth has reduced to 26% from 77% due to change in deferred tax (deferred tax expense recognised in current year as compared to deferred tax income in previous year).

SECRETARIAL STANDARDS

The Directors state that applicable secretarial standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the Company that occurred between the end of the financial year and the date of Directors' Report of the Company i.e. May 28, 2024.

Further, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134 (3)(a) of the Act, the Annual Return as on March 31, 2024 is available at the web link - https://www.timexindia.com/pdf/TimeX_Draft%20Annual_Return%202023-24.pdf

CORPORATE GOVERNANCE

As per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on Corporate Governance together with a certificate from the practicing Company Secretary confirming compliance is set out in the Annexure forming part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As required under Regulation 34 of the Listing Regulations, the Business Responsibility & Sustainability Report is provided in a separate section and forms part of the Annual Report.

CONSERVATION OF ENERGY

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided in **Annexure B** to this Report forming an integral part of this report.

DEMATERIALIZATION

The equity shares of the Company are being compulsorily traded in dematerialized form. As on 31st March 2024, 25,145 shareholders representing 97.70% of the Equity Share Capital are holding shares in dematerialized form.

COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not applicable on the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has formed Internal Committees at Baddi Plant, Corporate Office, warehouse and all regional offices for prevention and prohibition of sexual harassment and redressal against complaints of sexual harassment of women at the workplace as per Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Rules, 2013. These Committees have the power/jurisdiction to deal with complaints of sexual harassment of women as per the rules specified therein. All the employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2023-24, no such complaint was received across the organisation. Also, there was no pending complaints either at the beginning or at end of the financial year.

During the year, the Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Rules, 2013 and has formed necessary committees at all locations.

APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the financial year 2023-24..

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not made any such valuation during the financial year 2023-24.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the directors to the best of their knowledge and ability confirm that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and;
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, raw material availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from its customers, the watch trade, the New Okhla Industrial Development Authority, the Governments of Uttar Pradesh and Himachal Pradesh, the Banks / Financial Institutions and other stakeholders such as - shareholders, customers and suppliers, among others, and its employees. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

Sd/-
David Thomas Payne
Chairman
DIN: 07504820

Place: Connecticut, USA
Date: May 28, 2024

Form No. MR-3

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

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024**

**To,
The Members,
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III New Delhi-110024**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Timex Group India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 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 ('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):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulation, 2021;
- (e) 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;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the

Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except the meetings which were held at shorter notice where atleast one Independent Director was present, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We 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 applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- a) In accordance with the provisions of the Companies Act, 2013 ("the Companies Act"), 1,57,00,000 13.88% Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- each held by M/s Timex Group Luxury Watches B.V. (TGLW), the Holding Company, were due for redemption on March 26, 2024.

According to the proviso to Section 55(2) of the Companies Act, the preference shares can be redeemed either out of the company's profits that would otherwise be available for dividends or out of proceeds from a fresh issue of shares specifically made for the purpose of redemption.

Due to accumulated losses and non-availability of distributable profits, the Company could neither redeem these preference shares nor declare / pay dividends on the same. Projected calculations also indicated that the Company would not be able to redeem the said preference shares out of profits of the Company or declare / pay any dividend. Furthermore, the Company was not in a position to issue fresh shares for the purpose of redemption of the said preference shares.

Accordingly, the Board of Directors had, in its meeting held on July 14, 2023, approved the issuance of 2,73,15,264 Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- each at par for cash to TGLW on private placement basis, for the purpose of redemption of existing 1,57,00,000, 13.88% Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- each of the Company, under Section 55(3) of the Companies Act with the consent of holders of the said preference shares and with the approval of Hon'ble National Company Law Tribunal (NCLT), Delhi and the Reserve Bank of India. The total amount (Rs. 27,31,52,640/-) is equivalent to the value of the redemption amount (being Rs. 15,70,00,000/-) plus the unpaid accumulated dividend till the due date of redemption (being Rs. 13,03,91,380/-) on these shares, less the tax to be deducted at source (being Rs. 1,42,38,740/-).

Further, the Equity Shareholders of the Company approved, in their meeting held on August 23, 2023, the above proposal for issuance of fresh preference shares for redemption of existing preference shares alongwith unpaid accumulated dividend and also approved the reclassification of the Authorised Share capital of the Company to enable the said transaction.

Subsequently, the Company filed a petition under Section 55(3) of the Companies Act with Hon'ble NCLT, Delhi on October 19, 2023. The Hon'ble NCLT heard the matter in detail and reserved the matter for final order on February 2, 2024. The Company also applied to the Reserve Bank of India, for the issuance of above mentioned proposed fresh preference shares as External Commercial Borrowings (ECB).

Hence, the Company has followed the process laid down under Section 55(3) of the Companies Act and complied with all relevant statutory provisions concerning this matter and is awaiting further communication, order, or approval from the Hon'ble NCLT and the Reserve Bank of India for further action.

- b) The Company has also conducted Postal ballot dated March 24, 2024 to approve the following resolutions:

- (i) Appointment of Mr. Marco Zambianchi (DIN: 10457688) as Director (Non-Executive Non Independent) of the Company.
- (ii) Appointment of Ms. Meeta Makhani (DIN: 07135150) as an Independent Director of the Company.
- (iii) Appointment of Ms. Dhanashree Ajit Bhat (DIN: 10477919) as an Independent Director of the Company.
- (iv) Appointment of Mr. Sanjeev Kumar (DIN: 02524617) as an Independent Director of the Company.
- (v) Increasing the overall borrowing limits of the Company.
- (vi) Creation of charge and/or mortgage on all or any of the movable and/or immovable properties of the Company.

**For NKJ & Associates
Company Secretaries**

**Place: New Delhi
Date: May 28, 2024**

**Neesh Kr. Jain
FCS No.: 5593
C P No.: 5233
UDIN:F005593F455229
PR No.: 688/2020**

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
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III New Delhi-110024

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we 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 are the responsibility of management. Our examination was limited to the verification of procedures 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 NKJ & Associates
Company Secretaries

Place: New Delhi
Date: May 28, 2024

Sd/-
Neelesh Kumar Jain
FCS No. 5593
CP No. 5233

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Particulars	Measures
Conservation of energy	
(i) the steps taken or impact on conservation of energy; (ii) the steps taken by the company for utilising alternate sources of energy; (iii) the capital investment on energy conservation equipment.	The Company has taken the following steps towards energy conservation: <ul style="list-style-type: none"> • Installation of Solar Street Lights and pathway lights • Installation of LED lights • Automatic time switch for server room Air conditioner. • Installation of light time switches
Technology Absorption	
(i) the efforts made towards technology absorption; (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and (iv) the expenditure incurred on Research and Development.	During the year, the following initiatives were taken for technology absorption: <ul style="list-style-type: none"> • Daniel Wellington watch assembly line installation with local tool to improve productivity and quality and save cost. • Development of Tigimaster for crown & stem assembly in India which was earlier imported from Switzerland to improve productivity and quality and save cost. • Implementation of Laser coding machines on assembly lines for productivity improvement and reduction of changeover time & manpower movement. • Implementing electronic screwdriver with Vacuum head for picking-up the non-magnetic screws, for reducing the cost and improve quality. • Implementation of Hands fitting and Hands levelling in front of camera on assembly lines to improve productivity and quality and save cost. • Implementing the photosensor in front of operator hand in PML operation to avoid any accident for safety. • Implementation of new Fit up carriers with increased height and locking for stacks to improve productivity and quality. • Introduction of vibration test machine to simulate the transport damage of packed watches to improve quality. • Local development of charging station during assembly of activity tracker/smart watches to improve productivity and quality and save cost.
Foreign exchange	
The Company has earned INR 1,534 Lakhs in Foreign exchange and used INR 14,117 lakhs.	

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Transparency and accountability are the two basic tenets of Corporate Governance which are integral part of our business and endeavour to ensure fairness for every stakeholder- our customers, investors, vendors and the communities wherever we operate. At TIMEX, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. We always seek to ensure that our performance is driven by integrity, value and ethics. Responsible corporate conduct is integral to the way we do our business.

We, at TIMEX, ensure that we evolve and follow the corporate governance guidelines and best practices. The norms and processes of Corporate Governance reflect our commitment to disclose timely and accurate information regarding our financial and operational performance, as well as the Company's leadership and governance structure.

Our Board is responsible for shaping the long-term vision and policy approach to steadily elevate the quality of governance in our Organisation. At Timex, we firmly believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

VISION

The Timex Group vision is anchored in our rigorous focus on long lasting relationships with our customers and our commitment to build the power of our brands, underpinned by our people's will to win.

By transforming ourselves into a truly Global Company and intent on globalizing the mindset of our people, we are building one of the most powerful portfolios of brands in the watch and jewellery industry.

Our vision for the future goes way beyond timekeeping. We will delight and surprise our customers through innovation in design, technology and application of our brands and deliver a superior customer experience. This will lead to enhanced values for our shareholders and increase returns on investments and assets.

Deeply committed to our Corporate Social Responsibility and our values, we will build pride in our people and win the best future talent for our Group.

VALUES

- The customer is our most important asset.
- Corporate Social Responsibility is our foundation.
- Truth, transparency and respect for our differences are our pillars of strength.
- We work together to achieve Group goals.
- Our core values encompass integrity, responsibility and courage.
- We reward performance and results and we value a culture of discipline.
- We are fair and listen to our people and we expect them to always look for a better way.
- We protect our assets.
- We want to win.

BOARD OF DIRECTORS

a) Composition of Board

The composition of Board of Directors of the Company is in conformity with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as well as Section 149 of Companies Act, 2013 ("the Act"). Currently, the Board consists of 6 Directors comprising 1 Executive Director, 2 Non-Executive Directors and 3 Non-Executive and Independent Directors including 2 Women Independent Directors. The Board is chaired by Mr. David Thomas Payne as a Non-Executive Chairman. All the Directors are well qualified professionals in their respective arenas. The Board has no institutional nominee director. We believe that an active, well-informed, and independent Board is necessary to ensure the highest standards of corporate governance. Detailed profile of our Directors is available on our website at <https://www.timexindia.com/board-of-directors/>.

The composition and category of Directors on Board of the Company as on May 28, 2024, are as follows:

Name of the Directors/ DIN	Category	Number of shares held	No. of Directorship held in other Companies (1)	No. of Membership/ Chairmanship in other Board Committees (2)	Names of the other Listed Companies where the person is a director along with category of directorship
Mr. David Thomas Payne (DIN: 07504820)	Chairman and Non-Executive Director	Nil	1	-	-
Mr. Deepak Chhabra (DIN: 01879706)	Managing Director	Nil	1	-	-
Ms. Meeta Makhan (DIN: 07135150)	Non-Executive Independent Director	Nil	3	1(Including chairmanship)	-
Ms. Dhanashree Ajit Bhat (DIN: 10477919)	Non-Executive Independent Director	Nil	1	-	-
Mr. Sanjeev Kumar (DIN: 02524617)	Non-Executive Independent Director	Nil	-	-	-
Mr. Marco Zambianchi (DIN: 10457688)	Non-Executive Director	Nil	-	-	-

- Does not include directorships/committee position in Companies incorporated outside India.
- Only Audit Committee and Stakeholders Relationship Committee of the Public Limited Company have been considered for the purpose of ascertaining no. of membership & chairmanship of Committee.
- No director is inter-se related to any other director on the Board.

b) Appointment/Re-appointment of Director(s)

- As per the terms and conditions of their appointment, Ms. Gagan Makar Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien completed their second and final term as Independent Directors of the Company and ceased as Independent Directors and Members of the Board from the close of business hours effective March 31, 2024.
- Mr. Sylvain Ernest Louis Tatu resigned from the position of Non-Executive Director of the Company effective November 27, 2023 due to personal reasons.
- Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar were appointed as Independent Directors of the Company for a term of 5 years commencing from February 1, 2024.
- Mr. Marco Zambianchi was appointed as Non-Executive Director of the Company effective February 1, 2024.

c) Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from

other Board businesses. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance. Agenda papers are sent to the Directors generally one week before the meeting to facilitate meaningful and focused discussions at the meeting. In case of exigencies or urgencies, resolutions are considered by Circulation as well.

The Board met eight times during the financial year 2023-24 on April 14, 2023, May 17, 2023, May 23, 2023, July 14, 2023, August 9, 2023, November 3, 2023 and February 1, 2024 (two Board meetings were held on February 1, 2024) to consider amongst other business matters, the quarterly performance of the Company and financial results. The Company provides the facility for participation of the Directors in the meeting through Video Conference. The intervening gap between any two meetings was within the period prescribed under the Act and the SEBI Listing Regulations. Directors attending the meeting actively participated in the deliberations at these meetings.

d) Board/ General Meetings and Attendance

Details of Attendance of Directors at various Board Meetings and at the Annual General Meeting held during the Financial Year 2023-24 are as under:

Names	No. of Board Meetings attended/ held	Attendance at last AGM
Mr. David Thomas Payne	8/8	Yes
Ms. Gagan Singh*	7/8	Yes
Mr. Pradeep Mukerjee*	7/8	No
Mr. Bijou Kurien*	7/8	Yes
Mr. Sylvain Ernest Louis Tatu**	3/6	Yes
Mr. Deepak Chhabra	8/8	Yes
Ms. Meeta Makhan***	2/2	Not Applicable
Ms. Dhanashree Ajit Bhat***	2/2	Not Applicable
Mr. Sanjeev Kumar***	2/2	Not Applicable
Mr. Marco Zambianchi****	2/2	Not Applicable

*Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien have completed the term as Independent Directors of the Company and consequently ceased to be Members of the Board from the close of business hours of March 31, 2024.

**Mr. Sylvain Ernest Louis Tatu resigned from the post of Non-Executive Director of the Company effective November 27, 2023.

***Ms Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar were appointed as Independent Directors of the Company effective February 1, 2024.

****Mr. Marco Zambianchi was appointed as Non-Executive Director of the Company effective February 1, 2024.

• Board Diversity

The Company recognises and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry

experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

• Board Independence

The definition of 'Independence' of Directors is derived from Section 149(6) of the Act and the rules made thereunder, and Regulation 16(1) (b) of the SEBI Listing Regulations. Based on the confirmation /disclosures received from the Independent Directors and on evaluation of their relationships disclosed, they fulfil the conditions specified and are Independent of the management in terms of Section 149(6) of the Act and the rules made thereunder and Regulation 16(1)(b) and Regulation 25 of the SEBI Listing Regulations.

• Information provided to the Board

The Board has unrestricted access to all Company-related information including that of our employees. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company. The Board was presented with the information broadly on all suggested matters in terms of Regulation 17 of the SEBI Listing Regulations.

The Company has an effective post Board meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The Board has established procedures to periodically review Compliance Report pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

• Skills/ expertise/ competence requirements for Board of Directors

The Board of Directors has identified core skills/expertise/competencies to be available at all times with the Board for functioning effectively and those which are actually available. Such skills/expertise/competencies include a combination of educational qualifications in different functional areas, knowledge and work experience in the fields of manufacturing Industry, banking, finance, sales and marketing, human resource, regulatory, administration and legal etc. The Board is satisfied with the set of skills/expertise/competencies available with it presently.

Name of the director with relevant expertise is given below:

S. No.	Skills/Expertise/ Competence identified by the Board of Directors	Actually available with the Board of Directors	Name of Director having such Skill/ Expertise/ Competency
1.	Manufacturing/ Retail Industry expertise	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
2.	Technical skills/ experience		
	Retail	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Accounting, Finance and Banking	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Sales and Marketing	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Human Resources	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Governance and Risk Management	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
3	Behavioural Competencies		
	Integrity and ethical standards	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Mentoring abilities	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar
	Interpersonal relations	Yes	Mr. Deepak Chhabra, Mr David Payne, Mr. Marco Zambianchi, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat, Mr. Sanjeev Kumar

INDEPENDENT DIRECTORS MEETING

A meeting of Independent Directors of the Company was held on February 1, 2024 whereas the following items as enumerated under Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations were discussed:

- Review of performance of Non-Independent Directors and the Board as a whole;
- Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMME

In compliance with the requirements of the SEBI Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of familiarization programmes arranged for the Independent Directors have been disclosed on the website of the company and is available at the following link - <https://www.timexindia.com/wp-content/uploads/2024/01/Familiarization%20Programme%201%20Feb%202024.pdf>

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted as per the requirement of the Act and SEBI Listing Regulations. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees request special invitees to join the meeting, as and when considered appropriate.

a) Audit Committee

The Company has an adequately qualified and independent Audit Committee comprised of 4 Directors: Ms. Meeta Makhan, Mr. Sanjeev Kumar, Ms. Dhanashree Ajit Bhat and Mr. David Thomas Payne. Three out of the four members on the Committee are independent directors. Ms. Meeta Makhan, an independent Director with 25 years of vast experience and expertise in banking, finance, accounts and management, chairs the Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee was reconstituted effective February 1, 2024, due to the retirement of the existing Independent Directors, namely Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien and the appointment of new Independent Directors i.e. Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar.

The Board of Directors have outlined the scope and terms of reference for the Audit Committee in line with Regulation 18 of the SEBI Listing Regulations, the Act and other laws as deem necessary includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company and also approval for the payment of any other services;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
4. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
5. Approval or any subsequent modification of transactions of the company with related parties;
6. Evaluation of internal financial controls and risk management systems;
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
8. To review/oversee the functioning of the Whistle Blower/vigil mechanism.

Audit Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Audit Committee met six times on May 23, 2023, July 14, 2023,

August 9, 2023, November 3, 2023 and February 1, 2024 (two committee meetings were held on the same date).

The details of member's attendance at the Audit Committee Meetings during the Financial Year 2023-24 are as under:

Names	No. of Meeting attended/ held
Ms. Gagan Singh*	5/5
Mr. Bijou Kurien*	5/5
Mr. Pradeep Mukerjee*	5/5
Mr. David Thomas Payne	6/6
Ms. Meeta Makhan*	1/1
Mr. Sanjeev Kumar*	1/1
Ms. Dhanashree Ajit Bhat*	1/1

**Due to retirement of existing independent directors and appointment of new independent directors, the Audit Committee was reconstituted with effect from February 1, 2024, Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar were appointed as the members of the Audit Committee in place of Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien.*

The meetings of Audit Committee are also attended by the Managing Director and Chief Financial Officer as special invitees. Statutory Auditors and Internal Auditors also attend the meetings for specific items related to them and brief the Committee on their observations/ findings. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

b) Nomination and Remuneration Committee

The Committee comprises of 3 Non-Executive Directors, namely, Mr. Sanjeev Kumar, Ms. Meeta Makhan and Mr. David Thomas Payne. Mr. Sanjeev Kumar, an Independent Director is the Chairman of the Committee. The Committee meets periodically as and when required. None of the Directors, except Managing Director draws remuneration from the Company.

The Nomination and Remuneration Committee was reconstituted effective February 1, 2024, due to the retirement of the existing Independent Directors, namely Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien and the appointment of new Independent Directors i.e. Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar.

The Board of Directors have outlined the scope and terms of reference for the Nomination and Remuneration Committee in line with Regulation 19 of the SEBI Listing Regulations, the Act and other laws as deem necessary includes the following:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. To recommend/ review remuneration of Managing Director(s)/ Whole time Director(s).
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the independent directors.
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met two times on April 14, 2023, and February 1, 2024

The details of member's attendance at the Nomination & Remuneration Committee Meetings during the Financial Year 2023-24 are as follows:

Names	No. of Meeting attended/ held
Mr. Pradeep Mukerjee*	2/2
Ms. Gagan Singh*	2/2
Mr. David Thomas Payne	2/2
Mr. Sanjeev Kumar*	-
Ms. Meeta Makhan*	-

**Due to retirement of existing independent directors and appointment of new independent directors, the Nomination and Remuneration Committee was reconstituted with effect from February 1, 2024, Mr. Sanjeev Kumar and Ms. Meeta Makhan were appointed as the members of the Nomination and Remuneration Committee in place of Mr. Pradeep Mukerjee and Ms. Gagan Singh.*

Performance evaluation criteria

The Nomination and Remuneration Committee have developed parameterized feedback forms for the performance evaluation of all directors of the Company. The performance of each director, Committee and the Board as a whole was evaluated by the Board of Directors on an annual basis.

c) Stakeholders Relationship Committee

The Committee comprises of 4 Non-Executive Directors namely Ms. Dhanashree Ajit Bhat, Ms. Meeta Makhan, Mr. Sanjeev Kumar and Mr. David Thomas Payne. Ms.

Dhanashree Ajit Bhat, an Independent Director is the Chairman of the Committee. The Company Secretary is the Secretary of the Committee and attends its meetings.s.

The Stakeholders Relationship Committee was reconstituted effective February 1, 2024, due to the retirement of the existing Independent Directors, namely Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien and the appointment of new Independent Directors i.e. Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar.

The Board of Directors have outlined the scope and terms of reference for the Stakeholders Relationship Committee in line with Regulation 20 of the SEBI Listing Regulations, the Act and other laws as deem necessary includes the following:

1. 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the 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.

For expediting the process of share transmission and issuance of duplicate share certificates, the Board has delegated these powers to Share Allotment and Transfer Committee.

The Stakeholders Relationship Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Stakeholders' Relationship Committee met two times on August 9, 2023 and February 1, 2024.

The details of member's attendance at the Stakeholders' Relationship Committee Meetings during the Financial Year 2023-24 are as under:

Names	No. of Meeting attended/ held
Ms. Gagan Singh*	2/2
Mr. Pradeep Mukerjee*	2/2
Mr. Bijou Kurien*	2/2
Mr. David Thomas Payne	2/2
Ms. Dhanashree Ajit Bhat*	-
Ms. Meeta Makhan*	-
Mr. Sanjeev Kumar*	-

**Due to retirement of existing independent directors and appointment of new independent directors, the Stakeholders Relationship Committee was reconstituted with effect from February 1, 2024, Ms. Dhanashree Ajit Bhat, Ms. Meeta Makhan and Mr. Sanjeev Kumar were appointed as the members of the Stakeholders relationship Committee in place of Mr. Pradeep Mukerjee, Ms. Gagan Singh and Mr. Bijou Kurien.*

The details of complaints received and resolved during the Financial Year ended March 31, 2024, are given in the table below:

Complaints outstanding as on April 1, 2023	0
Complaints received during the year ended March 31, 2024	11
Complaints resolved during the year ended March 31, 2024	11
Complaints pending as on March 31, 2024	0

Name and designation of compliance officer: Mr. Dhiraj Kumar Maggo - VP Legal, HR & Company Secretary.

Address: E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024.

d) Risk Management Committee

The Committee comprises of 3 Directors namely Mr. David Thomas Payne, Mr. Deepak Chhabra and Ms. Meeta Makhan. Mr. David Thomas Payne, Director is the Chairman of the Committee. The Company Secretary is the Secretary of the Committee and attends its meetings.

The Risk Management Committee was reconstituted effective February 1, 2024, due to the retirement of the existing Independent Directors, namely Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien and the appointment of new Independent Directors i.e. Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar.

The Board of Directors have outlined the scope and terms of reference for the Risk Management Committee in line with Regulation 21 of the SEBI Listing Regulations, the Act and other laws as deem necessary includes the following:

1. To formulate 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 Committee.

- b) Measures for risk mitigation including systems and processes for internal control of identified risks.

- c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met two times on August 9, 2023 and November 3, 2023.

The details of member's attendance at the Risk Management Committee Meetings during the Financial Year 2023-24 are as under:

Names	No. of Meeting Attended/ held
Mr. David Thomas Payne	2/2
Ms. Gagan Singh*	2/2
Mr. Deepak Chhabra	2/2
Ms. Meeta Makhan*	-

**Due to retirement of existing independent directors and appointment of new independent directors, the Risk Management Committee was reconstituted with effect from February 1, 2024, Ms. Meeta Makhan was appointed as the member of the Risk Management Committee in place of Ms. Gagan Singh.*

e) Share Allotment and Transfer Committee

The Committee comprises of Mr. Deepak Chhabra and Mr. David Thomas Payne. The Share Allotment and Transfer Committee considers requests of share allotment/ transfer/ transmission/ transposition/ split/ consolidation/ sub-division/ duplicate share certificate etc. The summary of number of requests received and resolved in every quarter is placed before the Board for its information and noting.

PARTICULARS OF SENIOR MANAGEMENT

Details of the Senior Management Personnel of the Company as on March 31, 2024, are given below:

1. Mr. Amit Jain, Chief Financial Officer
2. Mr. Dhiraj Kumar Maggo, Vice President – Legal, HR & Company Secretary
3. Mr. Srinivasan Rajagopalan, Vice President - Plant
4. Mr. Rajat Goel, General Manager – Demand Planning, Logistics & Service
5. Mr. Dhaval Modi, General Manager – Brand Management
6. Mr. Sanjay Aerry, General Manager – Sales - KAM & Retail
7. Mr. Vivek Chaturvedi, General Manager - Marketing
8. Ms. Deepika Jindal, General Manager – Strategy, Analytics, Automation & PMO
9. Mr. Jitendra Kumar, General Manager - Purchase & Procurement
10. Mr. Paul King Ruban, Brand Head – Timex
11. Ms. Shwethisha Bansal, General Manager - Product
12. Mr. Rohit Singh, Deputy General Manager – Product, Tech & OEM

Changes in the Senior Management Personnel during the year

1. Mr. Brijesh Dixit resigned from the position of General Manager - Trade Sales of the Company, to pursue other endeavours. His last working day with the Company was January 15, 2024.
2. Mr. Paul King Ruban was appointed as the Brand Head – Timex of the Company with effect March 26, 2024.

CODE OF CONDUCT

In compliance with Regulation 17 of the SEBI Listing Regulations and the Act, the Company has formulated and adopted a Code of Conduct for its Board of Directors and senior management and has put the same on the company's website and is available at the following link - <https://www.timexindia.com/code-of-conduct/>. The Code has been circulated to all members of the Board and Senior Management and they have affirmed the compliance of the same. A declaration signed by the Managing Director of the Company regarding affirmation of the compliance with the code of conduct by Board Members and Senior Management for the financial year ended March 31, 2024, is annexed hereto.

DISCLOSURES

a) Related party transactions

All transactions entered into with related parties as defined under the Act and the SEBI Listing Regulations during the financial year were in ordinary course of business and on arm's length basis. Audit Committee reviews the Related Party Transactions periodically.

None of the transactions with any of the related parties was in conflict with the Company's interest.

Attention of members is drawn to the disclosure of transactions with related parties set out in Note no. 27 of Financial Statements, forming part of the Annual Report.

Company has formulated a "Related Party Transaction Policy" to ensure the proper approval and reporting of transactions between the Company and its Related Parties. This Policy as considered and approved by the Board has been uploaded on the website of the Company and is available at the following link - at https://www.timexindia.com/wp-content/uploads/2022/03/RPT-policy_24- march_2022.pdf. The Audit Committee/ Board may review and amend this policy from time to time.

For disclosures of transactions of the listed entity with any person or entity belonging to the promoter / promoter group which hold (s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results - please refer Notes no 27 of financial statements, forming part of the Annual Report.

b) Details of Non-compliance

The Company has complied with the requirements of the BSE Ltd., SEBI and other statutory authorities on all matters relating to capital markets during the last three years. A report on the compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review and consideration. There has been no instance of non-compliance with any legal requirements, nor have there been any strictures imposed by any stock exchange or SEBI, on any matters relating to the capital market over the last three years, apart from a fine imposed by the BSE Ltd. which was later waived off by the Exchange.

c) Whistle Blower Policy

The Company is committed to adopt the best Corporate Governance Practices and to follow the highest possible moral, legal and ethical standards in the conduct of its business. In line with this commitment, Whistle blower Policy was designed to provide a mechanism for employees / Board Members and others to raise good faith concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct and to protect the individuals who take such actions from retaliation or any threat of retaliation.

During the year under review, no personnel were denied the access to the Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the discretionary requirements

The Company has fully complied with the mandatory requirements of the Code of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI Listing Regulations. In addition, the Company has adopted the non-mandatory requirement relating to unmodified audit report, separate post of Chairman and Managing Director and reporting of Internal Auditors to the Audit Committee.

- e) Accounting treatment in preparation of financial statement**
- The Company has followed the Accounting standards notified by the Institute of Chartered Accountants of India, as amended from time to time, in preparation of its financial statements.
- f) Certificate for transfer of Shares and Reconciliation of Share Capital**
- Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on yearly basis, has been issued by a Company Secretary-in-Practice with respect to due compliance of share transfer formalities by the Company.
- Pursuant to SEBI (Depositories and Participants) Regulations, 2018, certificates have also been received from a Company Secretary-in-Practice reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company and submitted the same to the BSE Ltd. where the securities of the Company are listed within 30 days of the end of each quarter.
- g) CEO/CFO certification**
- As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on March 31, 2024 which is annexed to this Report.
- h) Foreign currency risk and hedging activities**
- The Company is exposed to foreign currency risk due to imports of components and watches and export of watches. The Company had not indulged in currency hedging activities during the year under report..
- i) Commodity price risk and commodity hedging activities**
- The Company imports & locally sources various raw materials, some of which are derivatives of commodities, for manufacturing watches. While some of these significant raw materials are not commodities themselves, some can be considered derivatives of commodities. The Company does not undertake any commodity hedging activities.
- j) The Company has not raised any funds through preferential allotment or qualified institutions placement during the year nor has any unutilised funds from the previous years as specified under Regulation 32 (7A) of the SEBI Listing Regulations.**
- k) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report. During the financial year 2023-24 , no complaint was received under the Act, across the organisation. Also, there was no pending complaint either at the beginning or at end of the financial year.**
- l) Certificate for non-disqualification of Directors**
- Mr. Neelesh Kumar Jain, proprietor, M/s NKJ and Associates, Company Secretaries (Certificate of Practice No. 5233), has issued a certificate to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. The certificate is attached to this Report.
- m) Recommendation of the Board Committees: During the year under review, there has been no instances of rejection by the Board of any recommendations made by any of its committees.**
- n) Statutory Auditor fee**
- Total fees paid during the year to the Statutory Auditors for all the services rendered by them and their network firm/ network entity of which the Statutory Auditors are a part, have been disclosed in Note no. 24 of Financial Statements, forming part of the Annual Report.
- o) Disclosure on certain types of agreements binding listed entities**
- The Company has no knowledge of any such agreement being entered into by the parties as provided under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.
- p) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad**
- During the financial year 2023-24, the Company did not have any debt instruments or any Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.
- q) Disclosure by listed entity and its subsidiaries of 'loan and advances in the nature of loans to firm/ companies in which directors are interested by name and amount**
- The company has not given any loans and advances in the nature of loans to firms / companies in which directors are interested. The company does not have any subsidiary associate to join venture during the year under report.

DIRECTORS REMUNERATION

Non-Executive Directors including Independent Directors do not have any pecuniary relationships or transactions with the Company. The independent directors were paid sitting fees of Rs. 30,000 each for attending the meetings of the Board of Directors or its Committees.

Remuneration of Executive Directors is decided by the Board of Directors, subject to the approval of shareholders, based on recommendation of Nomination and Remuneration Committee.

Details of remuneration paid to Directors of the Company for the financial year ended March 31, 2024 are as follows-

Sl. No.	Name	Sitting Fees	Salary and Benefits	Performance Bonus & LTI	Retirals	Total (in Rs.)
1.	Mr. Deepak Chhabra	(-)	2,46,36,596	58,66,386	29,08,802	3,34,11,784
2.	Ms. Gagan Singh*	5,40,000	-	-	-	5,40,000
3.	Mr. Bijou Kurien*	4,20,000	-	-	-	4,20,000
4.	Mr. Pradeep Mukerjee*	4,80,000	-	-	-	4,80,000
5.	Ms. Meeta Makhan**	90,000	-	-	-	90,000
6.	Ms. Dhanashree Ajit Bhat**	90,000	-	-	-	90,000
7.	Mr. Sanjeev Kumar**	90,000	-	-	-	90,000

*Ms. Gagan Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien have completed the term as Independent Directors of the Company, consequently ceased to be Members of the Board from the close of business hours of March 31, 2024

**Ms. Meeta Makhan, Ms. Dhanashree Ajit Bhat and Mr. Sanjeev Kumar were appointed as Independent Directors of the Company effective February 1, 2024.

Note: Mr. David Thomas Payne, Mr. Sylvain Tatu and Mr. Marco Zambianchi were not paid any sitting fees or other remuneration during the year 2023-24.

Mr. Deepak Chhabra has been appointed as Managing Director of the Company for the period of 3 years w.e.f March 28, 2022. In terms of agreement, the Company or Mr. Deepak Chhabra can terminate the appointment agreement by giving 3 months' notice in writing. There is no severance fees.

The Company has made a Strategic Plan for the years 2022-24. With the view to drive performance towards achievement of this Strategic Plan including sustainable growth in revenue and profitability and to motivate and retain the key team members, the Board of Directors has, on the recommendations of the Nomination and Remuneration Committee, approved "2022 Long-Term Incentive Plan" (LTI) for payment of a cash-based incentive on achievement of long-term goals. The Administrator of the Plan is authorised to decide the LTI participants and their participation percentages.

Mr. Deepak Chhabra would lead the team towards achievement of long-term strategic goals of the Company. As a participant to the LTI plan, he is entitled to receive long term cash-based incentive as per the performance criteria and his percentage participation.

MEANS OF COMMUNICATION

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at www.timexindia.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of conference calls/presentations to institutional investors or analysts etc. The contents of the said website are updated within 2 working days from the date of such change.

The quarterly and annual results are generally published in Business Standard (English and Hindi editions) and also displayed on the Company's website.

Further, the Company disseminates to the Stock Exchange (i.e. BSE Ltd.), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and for the information of the public at large.

GENERAL SHAREHOLDER INFORMATION

AGM: Day, Date, time and venue	:	Wednesday, September 4, 2024 at 4:00 p.m. through Video Conferencing or any other audio visual means
Financial Year	:	April 1,2023 to March 31, 2024
Tentative calendar of events for the financial year 2024-25 (April-March)	:	To review and approve unaudited Financial Results for the quarter First quarter - upto 14 th August, 2024 Second quarter - upto 14 th November, 2024 Third quarter - upto 14 th February, 2025 Fourth quarter - upto 15 th May, 2025 or alternatively upto 30 th May, 2025 with Annual Results for the Year ending 31 st March 2025
Book closure Date	:	September 2, 2024 to September 3, 2024 (both days inclusive)
Listing of shares on Stock Exchanges	:	BSE Ltd., Phiroze Jeejee bhoj Towers, Dalal Street, Mumbai-400001
Registered Office	:	E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024
Listing Fees	:	Listing fees as prescribed has been paid to the Stock Exchange up to March 31, 2025
Registrar & Share Transfer Agents (RTA) of the Company for both physical and electronic mode of share transfers.	:	Alankit Assignment Limited 4E/2 Alankit House, Jhandewalan Extension, New Delhi -110055 Contact Person : Mr. J K Singla Phones : 011-42541234 Fax : 011-42541967 Email : rta@alankit.com info@alankit.com Website : www.alankit.com

SHARE TRANSFER SYSTEM

The Company has appointed Alankit Assignment Limited as Registrar and Shares Transfer Agent. The Board has delegated the authority for approving transmission, duplicate, etc. of the Company's securities to the Share Allotment and Transfer Committee. A summary of transmission and duplicate of securities of the company so approved by the Share Allotment and Transfer Committee is placed at the Board Meeting.

All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) within twenty-one days.

As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company and is available at the following link - <https://www.timexindia.com/shareholders-information/>.

Venue and time of the Last Three Annual General Meetings

Date	Category	Venue/ Deemed Venue	Time	No. of Special Resolution
16.09.2021	AGM	Unit No. 303, 3RD Floor, Tower-B, World Trade Tower (WTT), C-1, Sector-16, Noida	04.00 PM	-
28.07.2022	AGM	E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024	04.00 PM	2
23.08.2023	AGM	E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024	04.00 PM	2

POSTAL BALLOT

During the year, the company conducted a postal ballot for the equity shareholders in accordance with the provisions of Section 108, 110 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

In compliance with General Circular numbers 14/2020, 17/2020,22/2020, 33/2020, 39/2020, 10/2021 20/2021, 3/2022, 11/2022 and 09/2023 issued by the Ministry of Corporate Affairs (“MCA”), Company has sent the Postal Ballot Notice along with the explanatory statement in electronic form only to those Members whose e-mail addresses were registered with the Company/ Depositories, to enable them to cast their votes electronically. The Company also published a Notice in the newspaper and other requirements as mandated under the provisions of the Act and Rules framed thereunder. The voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date.

In compliance with the provisions of Sections 108 and 110 of the Act and Rule 20 and 22 of the Rules read with Regulation 44 of the SEBI Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their vote electronically through the e-voting services provided by NSDL. During the e-voting period, shareholders of the company, holding shares either in physical form or in dematerialized form have casted their vote electronically. Upon completion of scrutiny of the votes cast through e-voting in a fair and transparent manner, the scrutinizer submitted his report to the Company for declaration of results. The results were also placed at the website of the Company. The last date of the voting period is deemed to be the date of passing of the resolution.

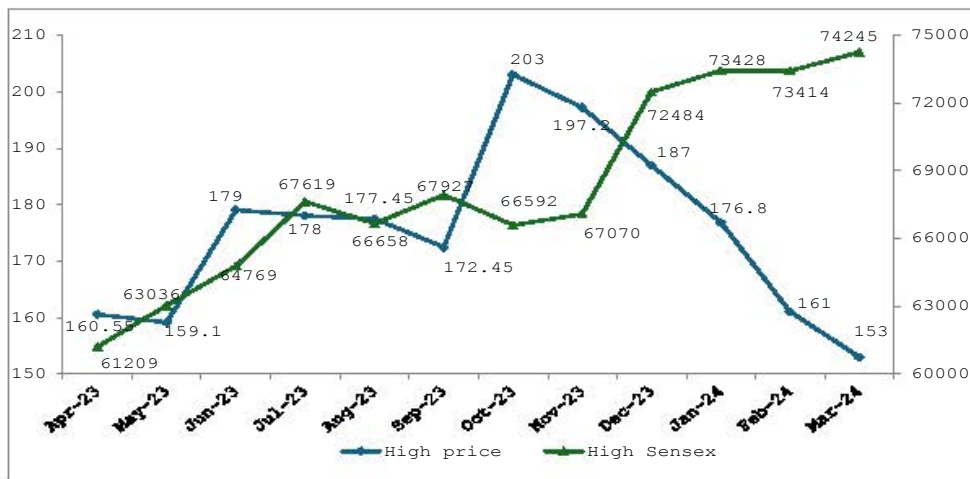
Detail of the voting pattern and resolutions are given below:

Date of Declaration of Postal Ballot Results	Name of the Scrutinizer	Brief particulars of resolution	Percentage of votes cast in favour of the resolution
March 26, 2024	Mr. Neelesh Kumar Jain, Proprietor, M/s N.K.J & Associates, Company Secretaries	Appointment of Mr. Marco Zambianchi (DIN-10457688) as Director of the Company as an Ordinary Resolution	99.9997
		Appointment of Ms. Meeta Makhani (DIN-07135150) as an Independent Director of the Company as a Special Resolution	99.9998
		Appointment of Ms. Dhanashree Ajit Bhat (DIN-10477919) as an Independent Director of the Company as a Special Resolution	99.9997
		Appointment of Mr. Sanjeev Kumar (DIN- 02524617) as an Independent Director of the Company as a Special Resolution	99.9998
		Increasing the overall borrowing limits of the Company as a Special Resolution	99.9988
		Creation of Charge and/or Mortgage on all or any of the movable and/ or immovable properties of the Company as a Special Resolution	99.9989

STOCK PERFORMANCE

Market price data: The monthly high and low stock quotations during the last financial year at the BSE Ltd. and performance in comparison to BSE Sensex are given below:

TIMEXGROUP



Month	Apr 23	May 23	Jun 23	Jul23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24
High	160.55	159.10	179.00	178.00	177.45	172.45	203.00	197.2	187.00	176.80	161.00	153.00
Low	120.45	134.90	144.50	153.35	145.55	150.00	153.00	178.00	160.00	147.25	133.00	126.80

STOCKCODE

The stock code of the Company at BSE Ltd.	500414
ISIN allotted by National Securities Depository Limited and Central Depository Services (India) Limited for Equity Shares	INE064A01026

The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system.

As on 31 March 2024, the distribution of Company's shareholding was as follows: -

No. of Shares	No. of Shareholders	% of Shareholders	Shares	% of shares
UPTO - 2500	41759	97.92	8036962	7.96
2501 - 5000	437	1.02	1650516	1.64
5001 - 10000	235	0.55	1774638	1.76
10001 - 20000	92	0.22	1354567	1.34
20001 - 30000	40	0.09	1028409	1.02
30001 - 40000	15	0.04	538676	0.53
40001 - 50000	21	0.05	976821	0.97
50001 AND ABOVE	46	0.11	85589411	84.78
TOTAL	42645	100.00	100950000	100.00

DEMATERIALISATION OF SHARES

Members are requested to convert their physical holdings to demat/electronic form through the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held. Shares received for dematerialization are generally confirmed within a maximum period of twenty one days from the date of receipt, if the documents are clear in all respects. There are 25145 no. of shareholders holding their shares in dematerialized form, which represent 97.70% of the Equity paid up capital of the Company.

PLANT LOCATION

TIMEX GROUP INDIA LIMITED

Plot No-10, Baddi, Ind. Area Katha, Near Fire Station Baddi, Nalagarh, Solan, Himachal Pradesh.

ADDRESS FOR CORRESPONDENCE

Timex Group India Limited, E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024

Email: investor.relations@timex.com

CERTIFICATE UNDER PARA 10(1) OF PART C OF SCHEDULE V TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para-C clause 10(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To
The Members,
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III, New Delhi-110024

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Timex Group India Limited having CIN L33301DL1988PLC033434 and having registered office at E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi-110024 (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulations 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

S. No.	Name of the Directors	DIN	Date of appointment in the Company
1	Mr. Deepak Chhabra	01879706	28/03/2022
2	Mr. David Thomas Payne	07504820	20/04/2018
3	Mr. Sanjeev Kumar	02524617	01/02/2024
4	Ms. Meeta Makhan	07135150	01/02/2024
5	Ms. Dhanashree Ajit Bhat	10477919	01/02/2024
6	Mr. Marco Zambianchi	10457688	01/02/2024
7.	Ms. Gagan Makar Singh*	01097014	31/01/2007
8.	Mr. Pradeep Mukerjee*	02287773	30/07/2009
9.	Mr. Bijou Kurien*	01802995	29/07/2011
10.	Mr. Sylvain Ernest Louis Tatu**	09125924	26/03/2021

*Ms. Gagan Makar Singh, Mr. Pradeep Mukerjee and Mr. Bijou Kurien have completed their tenure as Independent Directors and consequently ceased to be the directors of the Company with effect from the close of business hours of March 31, 2024.

**Mr. Sylvain Ernest Louis Tatu has resigned from directorship of the company with effect from November 27, 2023.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our 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.

For N.K.J & ASSOCIATES
Company Secretaries

Sd/-
NEELESH KR. JAIN
Proprietor

Membership No. FCS 5593
Certificate of Practice No. 5233
UDIN:F005593F000455394

Date: 28 May, 2024
Place: New Delhi

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION AS PER
REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015**

The Board of Directors
Timex Group India Limited
New Delhi

Certification to the Board pursuant to Regulation 17(8) read with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that;

- a) We have reviewed the Financial Statements and the cash flow statement for the year ended 31st March 2024 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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 ended 31st March, 2024 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 we have evaluated the effectiveness of the 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 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 Audit Committee;
 - i. significant changes in internal control over financial reporting during the year ended 31st March, 2024;
 - ii. significant changes in accounting policies during the year ended 31st March, 2024 and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in Company's internal control system over financial reporting.

Sd/-
Deepak Chhabra
Managing Director
(DIN: 01879706)

Sd/-
Amit Jain
Chief Financial Officer

Date: May 28, 2024
Place: Noida

DECLARATION BY THE CEO UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO THE CODE OF CONDUCT

To,
Board of Directors
Timex Group India Limited

AFFIRMATION OF COMPLIANCE OF CODE OF CONDUCT

On the basis of affirmations received from the Board Members and the Senior Management Personnel and to the best of my information, knowledge and belief, I, Deepak Chhabra, Managing Director of Timex Group India Limited (“the Company”), hereby affirm that, the Board Members and the Senior Management Personnel during the financial year 2023-24, have complied with the provisions of Code of Conduct for Directors and Senior Management of the Company as laid down by the Board of directors of Timex Group India Limited.

Date: 14 May, 2024
Place: Noida

Sd/-
Deepak Chhabra
Managing Director
(DIN: 01879706)

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members,
Timex Group India Limited
E-10, Lower Ground Floor,
Lajpat Nagar-III, New Delhi-110024

1. We have reviewed the implementation of the corporate governance procedures by Timex Group India Limited (the Company) during the year ended March 31st 2024, as stipulated under Regulation 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has to conduct the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanation given to us, the company has been complying with conditions of Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 28 May, 2024
Place: New Delhi

For N.K.J & ASSOCIATES
Company Secretaries
Sd/-
NEELES K. JAIN
Proprietor
Membership No. FCS 5593
Certificate of Practice No. 5233
UDIN: F005593F000455416

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L33301DL1988PLC033434
2.	Name of the Listed Entity	TIMEX GROUP INDIA LIMITED
3.	Year of incorporation	1988
4.	Registered office address	E-10, Lower Ground Floor, Lajpat Nagar III, New Delhi-110024
5.	Corporate address	Unit no. 303, 3rd floor, Tower B, World Trade Tower (WTT), C-1, Sector-16, Noida-201301
6.	E-mail	Investor.relations@timex.com
7.	Telephone	0120-4741300
8.	Website	www.timexindia.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd.
11.	Paid-up Capital	Equity share capital - Rs. 10,09,50,000 Preference share capital - Rs. 76,10,00,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Deepak Chhabra Managing Director Contact Details: Phone No.: 0120-4741300 Email: investor.relations@timex.com
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)	Disclosures made in this report are on standalone basis and pertain only to Timex Group India Limited.

II. Products/services

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

S.no	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacturing	Manufacturing of watches	62.8%
2	Trade	Wholesale Trading	35.8%
3	Support service to Organisations	Other support services to organizations	1.4%

15. Products/Service sold by the entity (accounting for 90% of the entity's Turnover):

S.no.	Product/Service	NIC Code	% of total Turnover contributed
1.	Watches	2652	100%*

*rounded off

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	7	8
International	-	-	-

17. Market served by the entity

a. Number of locations

Locations	Number
National (No. of states)	Pan India
International (No. of Countries)	7

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

Exports contribute approximately 4% of total turnover of the Company.

c. A brief on types of customers

The Company sells its products majorly on wholesale cash and carry basis through various sales channels and partners including distributors, dealers, franchisee operated exclusive brand outlets, modern trade - chain stores, defence, institutional, e-commerce, brand webstore etc. The Company has a strong array of prestigious international brands in its portfolio in fashion and lifestyle segment which gives ample choice to the fashion-oriented consumer. Currently, the brands in our portfolio include Timex, Guess, Gc, Versace, Salvatore Ferragamo, Nautica, Ted Baker, Furla, Adidas Originals, Philipp Plein, Plein Sport, UCB, Helix and TMX. The Company also operates as the ODM for watches with Lavie and Woodland for their brand of watches and also with Flipkart and Myntra for brands such as Wrogn, Van Heusen, Allen Solly and Peter England.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
EMPLOYEES						
1	Permanent(D)	199	181	91%	18	9%
2	Other than Permanent (E)*	425	381	90%	44	10%
3	Total employees (D+E)	624	562	90%	62	10%
WORKERS						
4	Permanent(F)	136	19	14%	117	86%
5	Other than Permanent(G)*	26	2	8%	24	92%
6	Total employees (F+G)	162	21	13%	141	87%

*Other than permanent employees represent the employees contracted via third party.

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No.(C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent(D)	0	0	0	0	0
2	Other than Permanent(E)*	0	0	0	0	0
3	Total differently abled employees (D+E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent(F)	1	0	0	1	0.74%
5	Other than Permanent(G)*	0	0	0	0	0
6	Total differently abled workers (F+G)	1	0	0	1	0.74%

*Other than permanent employees in Timex are contracted via third party.

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	%(B/A)
Board of Directors	6	2	33.33%
Key Management Personnel*	2	-	-

*Excluding BOD

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate)			FY 2022-23 (Turnover rate)			FY 22021-22 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	1%	11%	10%	1%	11%	11%	1%	12%
Permanent Workers	1%	13%	14%	0%	12%	12%	1%	10%	11%

V. Holding, Subsidiary and Associate Companies (including joint venture)

21. (a) Names of holding/subsidiary/associate companies/joint venture

S.no	Name of the holding/ subsidiary/ associate companies/ joint venture (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility Initiatives of the listed entity? (Yes/No)
1.	Timex Group Luxury Watches B.V.	Holding Company	-	No

The Company does not have any subsidiary, associate or Joint venture.

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No): No

(ii) Turnover (in Rs.) - Rs. 41,891 Lakhs

(iii) Net worth (in Rs.) - Rs. 8,129 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaints is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		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 https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Code-of-Conduct.pdf	There have been no complaints or grievances received under any of the principles of National Guidelines on Responsible Business Conduct.					
Investors (other than shareholders)	Yes https://www.timexindia.com/investors-contact/						
Shareholders	Yes https://www.timexindia.com/investors-contact/	11	0	Not Applicable	1	0	Not Applicable
Employees and Workers	Yes https://www.timexindia.com/pdf/Whistle%20Blower%20Policy.pdf and, https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Code-of-Conduct.pdf	There have been no complaints or grievances received under any of the principles of National Guidelines on Responsible Business Conduct.					
Customers	Yes https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Code-of-Conduct.pdf	19,315	0	Not Applicable	16,010	0	Not Applicable
Value Chain Partners	Yes https://www.timexindia.com/warranty-repair/	There have been no complaints or grievances received under any of the principles of National Guidelines on Responsible Business Conduct.					
Other (Please Specify)		-					

24. 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:

Please refer to the Risk Management Section in the Board's Report in addition to the following details

S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Employee Health, Safety and Well-being	R	As the Company's most valuable resource, employee safety and wellbeing are of paramount importance. This is accomplished by assessing and controlling health and safety risks across the operations.	The Company emphasises on placing safety as a pre-requisite across all its operations. Further, Company also takes various measures to ensure the health and wellbeing of employees by resorting to various interventions through health awareness programs.	Neutral Any cost put towards employee health, safety and well-being will yield positive results in the long term.
2.	Labour practices	R	Changing regulations around labour practices pose a challenge	The Company adheres to all applicable laws, pertaining to human rights and labour practices. The Company does not engage in child labour, forced or compulsory labour.	Negative Workplace incidents related to employee's health and safety can result into the cost of high litigation, plants shutdown, survivor benefits and fines from the regulators.
3.	Human Rights	R	Changing regulations around human rights pose as a challenge	The Company puts in substantial efforts to ensure that no human right violations are ensured in the entire line of our business.	Negative Any human rights violation or non-compliance can lead to severe reputational and financial risk for the Company.
4.	Waste management	O	The Company has a robust waste management process with zero discharge of waste outside the plant premises.	To regularly improve our waste segregation, collection, treatment and disposal processes to make the process more efficient	Positive The waste generated is either used back in processes or disposed off to the registered vendors for recycling.
5.	Consumer welfare	O	To distinguish ourselves as the market leaders and most preferred consumer brand	Timex has established strong market connect with consumer and build legacy brands that ensure consumer welfare	Positive Goodwill amongst consumer will convert into product sales
6.	Innovation and Technology	O	The implementation of new technologies will enable the organisation to be at the forefront as market leaders with better quality products. It will also help business to counter any disruptive business models that may pose a threat to our business.	-	Positive Cost undertaken for innovation and technology would benefit the company.
7.	Governance	O	A robust governance structure will enable the Company in assessing its policies and processes from the perspective of minimizing the impact on the environment while empowering the society and act as responsible corporate citizen.	Strong leadership and resilient execution teams	Positive Transforming our business and levelling it up.

S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Training and Development	O	The Company can raise the bar on quality of its offerings and become increasingly future-ready by ensuring requisite technical and behavioural skills are imparted to its workforce through regular trainings	Adapting to best training / development practices to develop our people	Positive The investment made in training and development of people will benefit the company across all functions
9.	Diversity at workplace	O	A diverse workplace is an inclusive environment that provides equal rights and opportunities for all employees and helps in building an equitable society. A greater diversity across genders and ethnicity is strongly correlated to a greater level of inclusiveness (unconventional biases in ethnicity, race and equality while transforming our thoughts and actions at a personal and professional level), improved propositions and productivity enabling value creation.	Encouraging diversity at all levels through all our practices	Positive A pool of diverse workforce of different genders, ages and ethnicities, nationalities, socio-economic backgrounds, religious beliefs, cultural practices, and sexual orientation will enable the Company to develop its services further and mitigate operational risks. Diversity in the workforce brings new perspectives, experiences and ideas which enables innovation, increases performance and enables a positive culture in the organization.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

S No.	Principle Description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
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
	b.	Has the policy been approved by the Board (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	<ol style="list-style-type: none"> 1. Code of Conduct for all Directors and Senior Management: https://www.timexindia.com/code-of-conduct/ 2. Code of Conduct for employees: https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Code-of-Conduct.pdf 3. Whistle Blower Policy: https://www.timexindia.com/pdf/Whistle%20Blower%20Policy.pdf 4. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders: https://www.timexindia.com/wp-content/uploads/2021/03/Timex-POIT-Reg-amended_21-March_2021.pdf 5. Related Party Transaction Policy: https://www.timexindia.com/wp-content/uploads/2022/03/RPT-policy_24-march_2022.pdf 6. Policy for Determination of Materiality of Events / Information: https://www.timexindia.com/pdf/TGIL_Policy_events.pdf 7. Prevention of Sexual Harassment of women: https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Policy-on-Sexual-Harrasement.pdf 							
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes							
4.		Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> • SA 8000:2014 • ISO 45001:2018 							
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is cognizant of its responsibilities under ESG framework and endeavors to be a leading organisation on these parameters. With its effects across various functions, the organization is moving towards this goal.							
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company is taking adequate steps towards fulfilment of its responsibilities for ESG framework.							
Governance, leadership and oversight										
7.		Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The Company believes that sustainability, inclusivity, prosperity, and governance are as important as profitability. With this belief, the Company is making consistent efforts to make a brighter future for all the stakeholders who deal with the Company. We believe that the growth must be sustainable, and we need to work proactively for our environmental, social and governance aspects. To this end, we have taken thoughtful measures to tackle inequalities within and beyond the organization, earn and retain the trust of all our stakeholders and build a greener tomorrow. We believe in leading by example and delivering solutions in the form leading, sustainable and trustworthy products in our field and build a stronger brand.							
8.		Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Deepak Chhabra (DIN: 01879706), Managing Director of the Company							
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.	The Company does not have specified Committee for decision making on sustainability related issues. However, the Directors and senior management monitor various aspects of social, environmental, governance and economic responsibilities of the Company on a continuous basis.							

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)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The policies are reviewed periodically/ on a need basis by the Board of Directors of the Company.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Status of compliance with all applicable statutory requirements is reviewed by the Board of Directors on a quarterly basis.								

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		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)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/no)									
It is planned to be done in the next financial year (Yes/no)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	8	During the year, the Board of Directors (including Committees) and KMPs engaged in various updates pertaining to business, regulatory, safety, employee well-being, ESG matters etc. The KMPs and Senior Management are also given periodic updates on Company’s Code of Conduct, the provisions of SEBI (Prohibition of Insider Trading) Regulations, Whistle Blower Policy, Prevention of Sexual harassment, HR policies, etc.	100%
Key Managerial Personnel			
Employees other than BoD and KMPs	12	Various trainings and awareness sessions are regularly organised for employees covering areas including induction training at joining and trainings on leadership, HR policy, functional/ technical skills and compliance matters during the course of employment.	100%
Workers	25	All workers undergo training programmes on a regular basis in the areas of skill upgradation, process orientation, soft skill development and safety. These trainings are imparted through online and classroom mods as well as on-the-job. Classroom trainings conducted during the year included SA 8000 Awareness session, Trainings on SA 8000 Policy & Procedures, Awareness on POSH, Trainings on Health & safety & Risk assessment etc.	91%

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 2023-24.

During FY 2023-24, there were no material fines/penalties/punishments/awards/compounding fees/settlements as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 imposed on the Company or its Directors/KMPs.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL	NIL	NIL	NIL	Not Applicable
Settlement	NIL	NIL	NIL	NIL	Not Applicable
Compounding fee	NIL	NIL	NIL	NIL	Not Applicable
Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL	NIL	Not Applicable	Not Applicable	
Punishment	NIL	NIL	Not Applicable	Not Applicable	

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

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
	Not Applicable

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.

Yes. The Company strictly prohibits corruption and bribery practices and covers these matters in detail with do's and don'ts in its Code of Conduct. All employees and other stakeholders dealing with the Company are required to abide by the values of the company. The code requires the employees to work and conduct in an ethical, accountable and transparent manner in their day-to-day office work and addresses issues beyond corruption and bribery. Web-link to the Company's code of conduct: https://www.timexindia.com/wp-content/uploads/2023/05/Timex_Code-of-Conduct.pdf

Apart from the Code of Conduct, the Company also has a Whistle blower Policy to report such matters.

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:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	NIL	Not Applicable	NIL	Not Applicable
Number of complaints received in relation to issues of conflict of interest of the KMPs	NIL	Not Applicable	NIL	Not Applicable

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

Not Applicable

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 product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

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

Yes, the Company continuously strives to implant sustainability throughout its supply chain system. According to SA 8000:2014, the SPT committee member must visit the Supplier once in a year to assess him on three basic sustainability grounds – Environmental, Social & Economical. Supplier Assessment checklist must be filled, stamped & signed along with complete information.

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

>= 83% of the inputs are sourced sustainably.

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.

As a part of the e-waste recycling and plastic waste management collection programme, the Company has partnered with government authorised recyclers. We have detailed MOU signed for both e-waste, solid waste management and used oil with the identified treatment value-chain player. All the necessary and legal authorisations required for the processing facilities have been taken and approved by concerned governmental agencies. The recycling and disposal of e-waste help us to ensure the protection of the environment from hazardous consequences.

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, the Company is in compliance with the Extended Producer Responsibility (EPR) guidelines. Our waste collection plan is in line with the EPR plan submitted 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	% OF EMPLOYEES COVERED BY										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Employees											
Male	181	181	100%	181	100%	NA	NA	181	100%	33	18%
Female	18	18	100%	18	100%	18	100%	NA	NA	1	6%
Total	199	199	100%	199	100%	18	9%	181	91%	34	17%
Other than Permanent employees*											
Male	381	381	100%	381	100%	NA	NA	381	100%	NA	NA
Female	44	44	100%	44	100%	44	100%	NA	NA	NA	NA
Total	425	425	100%	425	100%	44	10%	381	90%	NA	NA

*Other than permanent employees in Timex are contracted via third party and the responsibility related to the information shared above lies with the contractor. Timex ensures that the contractors meet the statutory requirements.

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

Category	% OF EMPLOYEES COVERED BY										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Workers											
Male	19	19	100%	19	100%	NA	NA	19	100%	19	100%
Female	117	117	100%	117	100%	117	100%	NA	NA	117	100%
Total	136	136	100%	136	100%	117	86%	19	14%	136	100%
Other than Permanent Workers*											
Male	2	2	100%	2	100%	NA	NA	2	100%	2	100%
Female	24	24	100%	24	100%	24	100%	NA	NA	24	100%
Total	26	26	100%	26	100%	24	92%	2	8%	26	100%

*Other than permanent employees in Timex are contracted via third party and the responsibility related to the information shared above lies with the contractor. Timex ensures that the contractors meet the statutory requirements.

2. Details of retirement benefits:

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 and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	-	90%	Y	-	96%	Y
Others- Super annuation	1%	-	Y	1%	-	Y

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.

Yes, the premises / offices of the Company are accessible to all the employees including differently abled employees and workers.

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

Yes. The company is committed to provide equal employment opportunities to all persons with diverse experience, impartiality and equal access, acceptance and respect of diverse culture, social background, and equal treatment for persons with disability. The Company endeavours to ensure that the work environment is free from any discrimination against all persons including persons with disabilities.

Weblink of the Policy: <https://www.timexindia.com/wp-content/uploads/2023/05/TIMEX-Equal-employment-Opportunity-Policy-FINAL.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	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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 Workers	Yes, the Company has multiple mechanisms to redress grievances such as Grievance Committee at Plant, Internal Committees under POSH Act for all workplaces, Company's Code of Conduct and Whistle Blower mechanism. The Company has also placed "Suggestion Box" at its plant which can be used by the employees and workers to raise their grievances.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2023-24			FY 2022-23		
	Total 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 employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or union (D)	% (D/C)
Total Permanent Employees	199	0	-	197	0	-
Male	181	0	-	181	0	-
Female	18	0	-	16	0	-
Total Permanent Workers	136	0	-	156	0	-
Male	19	0	-	20	0	-
Female	117	0	-	136	0	-

8. Details of training given to employees and workers:

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		On health and safety measures		On Skill upgradation			On health and safety measures		On Skill upgradation	
		Number (B)	%(B/A)	Number (C)	%(C/A)		Number (E)	%(E/D)	No.(F)	%(F/D)
Employees										
Male	181	33	18%	181	100%	181	33	18%	181	100%
Female	18	1	6%	18	100%	16	1	6%	16	100%
Total	199	34	17%	199	100%	197	34	17%	197	100%
Workers										
Male	19	19	100%	19	100%	20	20	100%	20	100%
Female	117	117	100%	117	100%	136	136	100%	136	100%
Total	136	136	100%	136	100%	156	156	100%	156	100%

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)	%(D/C)
Employees						
Male	181	173	96%	181	175	97%
Female	18	16	89%	16	16	100%
Total	199	189	95%	197	191	97%
Workers						
Male	19	19	100%	20	20	100%
Female	117	117	100%	136	136	100%
Total	136	136	100%	156	156	100%

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?

Yes, the Occupational Health and Safety Management System has been implemented at the Plant. The Company's health and safety management system is based on ISO 45001:2018, the International Standard for Occupational Health and Safety.

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

- Periodic Mock drill conducted at the Plant.
- Brainstorming by cross function team.
- Internal and External audit.
- Maintaining records of Risk assessment.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has processes for workers to report the work-related hazards and to remove themselves from such risks. The company implements protocols for employees to promptly report workplace hazards and remove themselves from risky situations. Our structured system enables workers to document near misses, safety concern and unsafe behaviours or conditions encountered on-site. Following a report, corrective and preventive measures are promptly initiated and designated timelines, overseen by an assigned individual, and subsequently reviewed by the relevant unit head. This ensures the ongoing safety of the workplace, swiftly identifying and mitigating potential hazards for all employees.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, all Company employees have access to comprehensive non-occupational medical and healthcare services. Within the Plant, there is a medical facility staffed with a full-time nurse and a visiting doctor on a regular basis. The nurse’s duties include administering first aid, addressing emergency health concerns, and facilitating referrals to external medical facilities for further consultation with doctors if required. This provision guarantees that employees receive essential medical care promptly, reducing the likelihood of minor health issues escalating into more serious conditions.

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

Safety incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work-place:

At Timex, we emphasize strongly on the health, safety, and well-being of our people. We continuously strive to create a work environment that is free from any occupational hazards, regardless of where our people are located or what type of work they carry out. Some of the measures undertaken by the Company is listed below:

- Employee training:** Comprehensive training is essential for preventing workplace injury. The Company ensures that all employees and workers have access to safety training.
- Safety Inspections/ Audits:** The Company conducts safety audit or inspection at defined intervals to critically examine and identify any needs for corrective action. Checks are conducted in standardized format and records maintained at site.
- Regular review meetings:** Regular meetings to review safety rules and discuss preventive measures are conducted to ensure that the workplaces are safe for the workers.

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

Category	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	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plant was assessed by the Company and external auditors
Working Conditions	100% of the plant was assessed by the Company and external auditors

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.

Not applicable

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

Essential Indicators

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

Any individual or group of individuals that adds value to the business of the Company is identified as a key stakeholder. This encompasses employees & workers, shareholders, customers, vendors, regulators, various government organizations amongst others. We prioritised our key stakeholders to comprehend their expectations and concerns. By engaging in regular interactions across various channels, we've fortified our relationships and refined our organisational strategy.

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, Pamphlet, 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
Employees and workers	No	Direct, through e-mail, meetings, townhall, website, notice board	Daily/need to know basis	Communication on RnR, Employee Engagement, Talent Management, Training programmes
Shareholders	No	Email, website, newspaper advertisements, stock exchange intimations, Investor Presentations, Annual General Meeting, investor meetings, notices and intimations	Periodic/Annual	To give an update on the developments in the Company, business performance, statutory information/ filings
Customers	No	Multiple channels	Regular	Stay in touch with the customers and to receive their feedback on various products that the Company manufactures and deals with.
Vendors/ Value Chain Partners	No	E-mail, one to one and joint meetings with vendors, website	Periodic/Annual	Stay in touch with vendors and suppliers for product engagement
Regulators	No	Emails, one on one meetings	Need based	Discussions with respect to various regulations, amendments, inspections, and approvals

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)
Employees						
Permanent	199	199	100%	197	197	100%
Other than Permanent	425	0	-	455	-	-
Total Employees	624	199	32%	652	197	30.21%
Workers						
Permanent	136	136	100%	156	156	100%
Other than Permanent	26	26	100%	9	9	100%
Total Workers	162	162	100%	165	165	100%

Note: Currently, we have a Code of Conduct, HR Policy Manual and Policy on Sexual Harassment in place which covers the aspects of human rights. The employees are mandated to abide by these policies before joining the company. Additionally, extracts of the Factory Act prohibiting child/bonded Labour and minimum wages are displayed in factory premises for perusal of all direct/indirect employees.

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

Category	Total (A)	FY 2023-24				Total (D)	FY 2022-23			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	%(B/A)	Number (C)	%(C/A)		Number (E)	%(E/D)	Number (F)	%(F/D)
Employees										
Permanent	199	0	0	199	100%	197	0	0	197	100%
Male	181	0	0	181	100%	181	0	0	181	100%
Female	18	0	0	18	100%	16	0	0	16	100%
Other than Permanent	425	0	0	425	100%	455	0	0	455	100%
Male	381	0	0	381	100%	413	0	0	413	100%
Female	44	0	0	44	100%	42	0	0	42	100%
Workers										
Permanent	136	0	0	136	100%	156	0	0	156	100%
Male	19	0	0	19	100%	20	0	0	20	100%
Female	117	0	0	117	100%	136	0	0	136	100%
Other than Permanent	26	0	0	26	100%	9	0	0	9	100%
Male	2	0	0	2	100%	1	0	0	1	100%
Female	24	0	0	24	100%	8	0	0	8	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ Wages of respective category	Number	Median remuneration/ salary/ Wages of respective category
Board of Directors (BoD)*	4	3,34,11,784	2	-
Key Managerial Personnel	2	1,53,61,780	0	-
Employees other than BoD and KMP	178	Rs. 15,00,000	18	Rs. 15,00,000
Workers	19	Rs. 2,09,868	117	Rs. 2,05,368

*The Company has 1 Managing Director and 5 other directors including independent directors and other non-executive directors. Independent directors are only getting sitting fees. Other non-executive directors do not get any remuneration. The remuneration details in the above table only considers remuneration of Managing Director.

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)

Internal Committees under POSH and HR department are responsible for these matters.

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

At Timex, guidance on human rights issues is covered as a part of its Code of Conduct, HR Policy Manual and POSH Rules. Employees are encouraged to approach their Reporting Manager, Head of Department, or personnel from Human Resource Department for any grievances.

Also, the Company has a Whistle Blower Policy that allows and encourages its stakeholders to raise concerns about the violations against the Code of Conduct.

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

Category	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
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company promotes an open culture of communication devoid of any bullying or harassment of any kind. The Whistle blower Policy provides the guidelines and mechanism that the Company follows for the protection of the complainant / whistle blower. The investigation is done strictly in a confidential manner ensuring the protection of the complainant against any retaliation. All care is taken to withhold the identity of the complainant / whistle blower. The Company provides necessary safeguards to all whistle blowers for making protected disclosures in good faith, in all the areas mentioned in the Code of Conduct such as business with integrity, responsible corporate citizenship, illegal and unfair labour practices, trade practices and other laws.

The Company also has a policy on prevention, prohibition and redressal of sexual harassment of any employee at the workplace and has an Internal Committee (IC) at various locations in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the IC are responsible for conducting inquiries pertaining to such complaints. On a regular basis, the Company sensitises its employees on the prevention of sexual harassment at the workplace through awareness programs

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

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% of the plant was assessed by the Company and external auditors
Forced/involuntary labour	100% of the plant was assessed by the Company and external auditors
Sexual harassment	100% of the plant was assessed by the Company and external auditors
Discrimination at workplace	100% of the plant was assessed by the Company and external auditors
Wages	100% of the plant was assessed by the Company and external auditors
Others-please specify	-

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

Not Applicable

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

Essential Indicators

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

Parameter	FY 2023-24 (in Joules)	FY 2022-23 (in Joules)
Total electricity consumption (A)	2447	2738
Total fuel consumption (B)	127	84
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	2574	2822
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) Giga Joules per Lakhs (Rs.)	0.061	0.073
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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

No independent assurance has been done for data verification.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in Kilolitres)		
(i)Surface water	0	0
(ii)Groundwater	5585	4,935
(iii)Third party water	422.3	993
(iv)Seawater/desalinated water	0	0
(v)Others	0	0
Total volume of water withdrawal (in Kilolitres) (i + ii + iii + iv + v)	6007.3	5,928
Total Volume of water consumption (in Kilolitres)	6007.3	5,928
Water intensity per rupee of turnover (Water consumed/ turnover) KL per Lakhs (Rs.)	0.143	0.154
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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

No independent assurance has been done for data verification.

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

At present, we do not have Zero Liquid Discharge mechanism. However, we use 100% of the treated water from Sewer Treatment Plant (STP) within the Baddi premises for horticulture and toilet use with the consent from the concerned authorities. We follow all the necessary applicable guidelines and directions on maintaining the standards of STP as required by CPCB and SPCBs.

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

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Metric tonnes	0.25	0.223
Sox	Metric tonnes	0	0.061
Particulate matter (PM)	g/Kw-hr	0.14	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others—please Specify	-	-	-

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.

We undertake third party lab testing for each of these air emission parameters including NOx and SOx on yearly basis to ensure the parameters are within permissible limits. This is done in addition to our internal monitoring systems. We also submit the reports to the concern authority and pollution control board.

6. 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 emission (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	140	NIL
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	27	NIL
Total Scope 1 and Scope 2 emissions per rupee of turnover (in lakhs)		0.0039	Not Applicable
Total Scope 1 and Scope 2 emissions intensity (optional) – the relevant metric may be selected by the entity		-	Not Applicable

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

No independent assurance has been done for data verification.

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

Timex has taken several initiatives to increase energy efficiency and reduce emissions. Some of the initiatives taken in FY 2023-24 are as follows:

Initiatives	
Conservation of Electricity	<ul style="list-style-type: none"> Installed smart technology devices to save energy. Project of Energy Management System is under implementation.
Water Conservation	<ul style="list-style-type: none"> Installation of Piezometer to measure the ground water level. Electronic digital meter for monitoring the water consumption.
Aircon Optimization	<ul style="list-style-type: none"> Company has plan to install VRF System which is using environment friendly refrigerant R410 and is energy efficiency. It improves the quality of working areas as it will provide better temperature control inside the working areas especially during winters.

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2.402	2.705
E-waste(B)	4	6.154
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste(E)	0.347	0.437

Parameter	FY 2023-24	FY 2022-23
Radioactive waste (F)	0	0
Other Hazardous waste generated (G)	0.06	-
Other Non-hazardous waste generated (H)		
Aluminium Scrap	0	0.029
Brass Scrap	0.411	0.451
MS Scrap	0.716	1.168
Steel	1.209	1.705
Total (A+B+C+D+E+F+G+H)	9.145	12.649
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operation (in metric tonnes)		
Category of waste		
(i) Recycled	6.5827	3.507
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	6.5827	3.507
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

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

No independent assurance has been done for data verification.

9. 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.

The Company's waste management systems are well defined to manage operational waste. Our plastic waste management processes are in line with Plastic Waste Management (PWM) EPR (Extended Producer Responsibility) guidelines under PWM Rule 2016.

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

S.no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.no.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is compliant with the applicable environmental laws/regulations/ guidelines in India and no fines/penalties/actions were taken by regulatory agencies/ courts.				

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

S.No.	Name of trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	All India Federation of Horological Industries	National
2	Baddi Barotiwala Nalagarh Industries Association	State

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.

Name of authority	Brief of the case	Corrective action taken
	Nil	

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.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant web link
Not Applicable					

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

S.no.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

The Company acknowledges its responsibility towards the society and supports inclusive growth and equitable development of all its stakeholders. We strongly believe in growing together responsibly leading to success of our business. We aim at balancing the needs and address the concerns of our stakeholders and endeavour to take into the consideration the impact we have on the environment, society and the community.

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	36%	35%
Sourced directly from within the district and neighbouring districts	2.3%	2.1%

PRINCIPLE 9: Business should engage with and provide value to their consumers in a responsible manner

Essential Indicator

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

The Company has adequate mechanism and takes due efforts for addressing and redressal of consumer feedback and complaints. The consumers can raise their complaints through a dedicated phone line or by dropping an E-mail. The consumer complaints received at feedback@timexindia.com/custservice@timexindia.com are managed in accordance with the standard operating procedure (SOP). Based on its nature, the complaints are forwarded to the respective department for their further actions, if any, including adequate response to the said complaints. The Company also takes appropriate actions for addressing any consumer complaints lodged with the consumer forums as per the applicable laws and regulations.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

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 end of year		Received during the year	Pending resolution at end of year	
Data Privacy	We have not received any complaint with respect to Data Privacy, Advertising and Cybersecurity during the FY 2023-24 and FY 2022-23					
Advertising						
Cyber-security						
Delivery of essential services	Our products and services do not fall under the category of essential services					
Restricted Trade Practices	We have not received any complaint with respect to restricted trade practices and unfair trade practices during the FY 2023-24 and FY 2022-23					
Unfair Trade Practices						
Other (consumer complaints relating to products)	19,315	0	-	16,010	0	-

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

	Number	Reasons for recall
Voluntary recalls	Not applicable	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No

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

Not Applicable

INDEPENDENT AUDITOR'S REPORT

To The Members of Timex Group India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Timex Group India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and report on Corporate Governance, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 not maintaining the daily backup of books of account in electronic mode, in a server physically located in India (refer Note 45 to the financial statements) and not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/ are as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate

Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to financial statements.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 26A to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 26C to the financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 26D to the financial statements.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 34 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 35 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall,

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 wherein:
 - (a) an accounting software did not have audit trail (edit log) feature enabled throughout the year, and
 - (b) in respect of the other accounting software used for maintaining payroll records, which is operated by a third party software service provider, based on the independent service auditor’s report which includes the requirements of audit trail (edit log), the Company has used the said software which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year. No instance of audit trail (edit log) feature being tampered with has been reported in such auditor’s report.

(Refer note 44 to the financial statements)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

- 2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm’s Registration No.117366W/W-100018)

Sd/-
Pramod B. Shukla
(Partner)

Place: Noida
Date: May 28, 2024

(Membership No. 104337)
(UDIN: 24104337BKFNMX9435)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 1 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report on the financial statements for the year ended March 31, 2024 to the Members of Timex Group India Limited of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of Timex Group India Limited (“the Company”) as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

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

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Sd/-

Pramod B. Shukla

(Partner)

(Membership No. 104337)

(UDIN: 24104337BKFNMX9435)

Place: Noida

Date: May 28, 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report on the financial statements for the year ended March 31, 2024 to the Members of Timex Group India Limited of even date]

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work in-progress and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (c) The Company does not have any immovable properties {other than properties (including buildings constructed thereon which is included in Property, plant and Equipment disclosed in the financial statements) where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee}.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the

nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities. Sales Tax, Service Tax and Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. In lacs)	Period to which the Amount Relates	Forum where Dispute is Pending
The Gujarat Value Added Tax Act, 2003	Value Added Tax	5.51*	2013-2014	Deputy Commissioner (Appeals), Commercial taxes, Ahmedabad
The Central Sales Tax, 1956	Central Sales Tax	114.63*	2011-2014	Deputy Commissioner (Appeals), Commercial taxes, Ahmedabad
The Central Sales Tax, 1956	Central Sales Tax	11.27*	2015-2017	Deputy Commissioner (Appeals), Commercial taxes, Ernakulam
The Income-tax Act, 1961	Penalty u/s 271(1)(c)	464.67 [^]	AY 2013-14	Commissioner of Income-tax (Appeals)
The Customs Act, 1962	Customs Duty	123.87	1997	Commissioner of Customs (Export)
Goods and Services tax Act, 2017	Goods and Services Tax	0.19	AY 2020-2021	Assistant Commissioner, (ST) (FAC)

*amount as per demand orders including interest and penalty wherever quantified in the Order net of amount deposited as per the records of the Company against States Sales and Central sales Tax which is Rs. 1.25 Lakh and Rs. 15.29 lakhs respectively.

[^] amount includes Rs. 51 lakhs adjusted against refund issued by the Income-tax authority in respect of future years.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year. applicable.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable. (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company. (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable. (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (f) The Company has not raised any loans during the year on the pledge of any security and hence reporting on clause 3(ix)(f) of the Order is not (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) There is no core investment company within the Group {as defined in the Core Investment Companies (Reserve Bank) Directions, 2016} and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due (Also refer note 1B(ii)(c) to the financial statements).

- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No.117366W/W-100018)

Sd/-

Pramod B. Shukla

(Partner)

Place: Noida

(Membership No. 104337)

Date: May 28, 2024

(UDIN: 24104337BKFNMX9435)

TIMEXGROUP

Balance Sheet as at March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2.1	573	586
(b) Capital work-in-progress	2.2	-	16
(c) Right-of-use assets	32	878	1,054
(d) Other Intangible assets	3	38	16
(e) Financial Assets			
-Other financial assets	4	81	88
(f) Deferred tax assets	25.3	994	1,684
(g) Income tax assets (net)	5	81	45
(h) Other non-current assets	6	31	25
Total non-current assets		2,676	3,514
(2) Current assets			
(a) Inventories	7	10,625	9,588
(b) Financial Assets			
(i) Trade receivables	8	5,114	5,237
(ii) Cash and cash equivalents	9	391	128
(iii) Bank balances other than (ii) above	10	2	2
(iv) Other financial assets	4	25	10
(c) Other current assets	6	1,285	953
Total current assets		17,442	15,918
TOTAL ASSETS		20,118	19,432
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	11	1,010	1,010
(b) Other Equity	12	7,119	5,042
Total Equity		8,129	6,052
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	182	167
(ii) Lease liabilities	32	788	960
(b) Provisions	13	1,587	1,428
Total non-current liabilities		2,557	2,555
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	2,297
(ii) Lease liabilities	32	195	174
(iii) Trade payables	16	726	508
- total outstanding dues of micro enterprises and small enterprises; and			
- total outstanding dues of creditors other than micro enterprises and small enterprises.		6,468	6,094
(iv) Other financial liabilities	17	837	690
(b) Other current liabilities	14	382	515
(c) Provisions	13	824	547
Total current liabilities		9,432	10,825
Total liabilities		11,989	13,380
TOTAL EQUITY AND LIABILITIES		20,118	19,432

Accompanying notes forming part of the financial statements

1 to 45

In terms of our report attached

For and on behalf of the Board of Directors of Timex Group India Limited

For Deloitte Haskins & Sells LLP

Chartered Accountants

Pramod B. Shukla

Partner

David Thomas Payne

Chairman

(DIN - 07504820)

Place : Connecticut, USA

Date : May 28, 2024

Deepak Chhabra

Managing Director

(DIN - 01879706)

Place : Noida

Date : May 28, 2024

Dhiraj Kumar Maggo

Vice President – Legal, HR & Company Secretary

(Membership No.:F7609)

Place : Noida

Date : May 28, 2024

Amit Jain

Chief Financial Officer

(PAN - AAMPJ9232F)

Place : Noida

Date : May 28, 2024

Place : Noida

Date : May 28, 2024

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended	Year ended
		March 31, 2024	March 31, 2023
I Revenue from operations	18	41,891	38,345
II Other income	19	277	33
III Total Income (I + II)		42,168	38,378
IV Expenses			
Cost of materials consumed	20	15,128	15,254
Purchases of stock-in-trade	20.1	10,760	9,942
Changes in inventories of finished goods and stock-in-trade	20.2	(1,522)	(3,441)
Employee benefits expense	21	4,324	4,639
Finance costs	22	383	532
Depreciation and amortisation expenses	23	358	360
Other expenses	24	9,961	8,125
Total Expenses (IV)		39,392	35,411
V Profit before tax (III - IV)		2,776	2,967
VI Tax Expense			
Current tax		-	-
Deferred tax	25.1	692	(1,685)
Total tax expense		692	(1,685)
VII Profit for the period (V - VI)		2,084	4,652
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Gain / (loss) on defined benefit obligations	28.2	(9)	5
- Income tax relating to items that will not be reclassified to profit or loss	25.1	2	(1)
Total other comprehensive income		(7)	4
IX Total comprehensive income for the period (VII + VIII)		2,077	4,656
Earning per equity share [Face value of share - Re. 1 (absolute amount) each]			
Basic (in Rs.)	30	1.36	3.90
Diluted (in Rs.)	30	1.36	3.90
Accompanying notes forming part of the financial statements	1 to 45		

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Chief Financial Officer

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Place : Noida

Date : May 28, 2024

Place : Noida

Date : May 28, 2024

Statement of Cash Flows for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2,776	2,967
Adjustments for:		
Interest income	(16)	(7)
Liabilities/provisions no longer required written back	-	(2)
Finance costs	383	532
Depreciation and amortisation expenses	358	360
Net (gain)/ loss on sale / discarding of property, plant and equipment	(1)	1
Property, Plant and equipment written off	-	1
Allowance for bad and doubtful debts (net)	(108)	59
Net unrealised currency exchange fluctuation (gain)/loss	(34)	(31)
Changes in working capital:		
Adjustments for (increase) / decrease in operating liabilities		
Inventories	(1,037)	(4,231)
Trade receivables	233	(438)
Other financial assets (Current)	(15)	29
Other financial assets (Non-current)	7	(26)
Other assets (Current)	(332)	(31)
Other assets (Non-current)	(3)	-
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	623	1,031
Other financial liabilities (Current)	147	(39)
Provisions (Current)	268	174
Provisions (Non-current)	159	565
Other liabilities (Current)	(133)	101
Cash generated from operations	3,275	1,015
Income taxes paid (net of refunds)	(36)	(32)
Net cash generated from operating activities	3,239	983
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	16	7
Bank balances not considered as cash and cash equivalents	0 #	0#
Payment for purchase of property, plant and equipment and other intangible assets	(151)	(145)
Proceeds from sale of property, plant and equipment	2	4
Net cash (used in) investing activities	(133)	(134)

Statement of Cash Flows for the year ended March 31, 2024 (Contd...)

(All amounts in Rs. Lakhs, unless otherwise stated)		Year ended	Year ended
Particulars		March 31, 2024	March 31, 2023
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issuance of non cumulative non convertible preference shares	-	250
	Repayment of non cumulative non convertible preference shares	-	(250)
	Net proceeds / (repayment) from borrowings (Current)	(2,297)	(79)
	Repayment of lease liabilities and Interest	(278)	(255)
	Finance costs paid	(268)	(421)
	Net cash (used in)/ financing activities	(2,843)	(755)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	263	94
	Cash and cash equivalents at the beginning of the year	128	34
	Cash and cash equivalents at the end of the year	391	128
Note:			
Component of cash and cash equivalents :			
	Balances with Banks		
	-In current accounts	390	125
	Cheques, drafts on hand	-	2
	Cash on hand	1	1
		391	128

Note:

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

Reconciliation of liabilities arising from financing activities

Particulars	March 31, 2023	Addition	Non cash /in AS adjustment	Repayment	March 31, 2024
Non-current borrowings (0.09% non cumulative redeemable non convertible preference share)	167	-	15	-	182
Current borrowings	2,297	-	-	(2,297)	-
Lease liabilities	1,134	27	100	(278)	983
Total	3,598	27	115	(2,575)	1,165

Amount is below rounding off threshold adopted by the Company

Accompanying notes forming part of the financial statements 1 to 45

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
Pramod B. Shukla
 Partner

Place : Noida
 Date : May 28, 2024

For and on behalf of the Board of Directors of Timex Group India Limited

David Thomas Payne
 Chairman
 (DIN - 07504820)
 Place : Connecticut, USA
 Date : May 28, 2024

Dhiraj Kumar Maggo
 Vice President – Legal, HR & Company Secretary
 (Membership No.:F7609)
 Place : Noida
 Date : May 28, 2024

Deepak Chhabra
 Managing Director
 (DIN - 01879706)
 Place : Noida
 Date : May 28, 2024

Amit Jain
 Chief Financial Officer
 (PAN - AAMPJ9232F)
 Place : Noida
 Date : May 28, 2024

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

(a) Equity share capital

	<u>Amount</u>
Balance as at April 1, 2022	1,010
Changes in equity share capital during the year	-
Balance as at March 31, 2023	1,010
Changes in equity share capital during the year	-
Balance as at March 31, 2024	1,010

(b) Other Equity	Securities Premium	Equity component of compound financial instrument- Preference shares	Retained earnings	TOTAL
Balance as at April 1, 2022	351	7,610	(7,414)	547
Profit for the year	-	-	4,652	4,652
Other comprehensive income for the year, net of income tax	-	-	4	4
Total comprehensive income for the year	-	-	4,656	4,656
Add : 0.09% non cumulative redeemable non convertible preference shares {refer note 1.C.(i)(b) and 15 (i)}	-	89	-	89
Less: Repayment of Preference share	-	(250)	-	(250)
Balance as at March 31, 2023	351	7,449	(2,758)	5,042
Profit for the year	-	-	2,084	2,084
Other comprehensive income for the year, net of income tax	-	-	(7)	(7)
Total comprehensive income for the year	-	-	2,077	2,077
Add : 0.09% non cumulative redeemable non convertible preference shares {refer note 1.C.(i)(b) and 15 (i)}	-	-	-	-
Less: Repayment of Preference share	-	-	-	-
Balance as at March 31, 2024	351	7,449	(681)	7,119

Accompanying notes forming part of the financial statements

1 to 45

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Pramod B. Shukla

Partner

Place : Noida

Date : May 28, 2024

For and on behalf of the Board of Directors of Timex Group India Limited

David Thomas Payne

Chairman

(DIN - 07504820)

Place : Connecticut, USA

Date : May 28, 2024

Dhiraj Kumar Maggo

Vice President – Legal, HR & Company Secretary

(Membership No.:F7609)

Place : Noida

Date : May 28, 2024

Deepak Chhabra

Managing Director

(DIN - 01879706)

Place : Noida

Date : May 28, 2024

Amit Jain

Chief Financial Officer

(PAN - AAMPJ9232F)

Place : Noida

Date : May 28, 2024

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

1 CORPORATE INFORMATION, MATERIAL ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

A CORPORATE INFORMATION

‘Timex Group India Limited (“the Company”) is a public limited company domiciled in India and was incorporated on October 4, 1988. The Company’s equity shares are listed at BSE Limited. The registered office of the Company is situated at E-10, Lower Ground Floor, Lajpat Nagar - III, New Delhi – 110024. The Company’s Parent Company is Timex Group Luxury Watches B.V., Netherlands and Ultimate Holding Company is BP Horological Group L.L.C.

The principal activities of the Company are manufacturing and trading of watches and rendering of related after sales service. The Company’s manufacturing facility is located at Baddi, Himachal Pradesh. The Company also provides information and technology support services to the Group Companies.

The financial statements were approved for issue in accordance with a resolution of the directors on May 28, 2024.

B Material Accounting Policies

(i) Statement of compliance

‘The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

(ii) Basis of preparation

(a) The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received on selling of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

(b) All assets and liabilities have been classified as current or non-current according to the Company’s operating cycle and other criteria set out in the Act. 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 twelve months.

(c) Use of going concern assumption:

As on March 31, 2024, the Company has accumulated losses of Rs. 681 lakhs. The Company has reported a profit after tax Rs. 2,084 lakhs during the year ended March 31, 2024 (year ended March 31, 2023: profit of Rs. 4,652 lakhs). As per business plan approved by the Board of Directors, the Company expects growth in its operations and continue to earn profits in ensuing year/s. Apart from proposed issuance of 10.75% CRNCPS for the purpose of redemption of existing preference shares referred to in Note 11 B (iii) (a) (i), the funding requirements of the Company will be met through flow of funds from operations and bank borrowings (including borrowings backed with stand by letter of credit (SBLC) by Tanager Group B.V., the Intermediate Holding company).

Further, the Company is 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.

In view of the above, the use of going concern assumption has been considered appropriate by the Management in preparation of the above financial statements of the Company.

(iii) Impact of the initial application of new and amended IND ASs that are effective for current year:

The Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023.

(i) The Company has adopted the amendments to Ind AS 1 - Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

- (ii) The Company has adopted the amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

(iv) Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value of all of its Property, plant and equipment recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

Cost of acquisition or construction is inclusive of freight, duties, relevant taxes (other than those subsequently recoverable from the tax authorities),

incidental expenses and interest on loans attributable to the acquisition of qualifying assets up to the date the asset is ready for its intended use.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in the future economic benefits from such asset beyond its previously assessed standard of performance. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for its intended use.

Capital Work in Progress: Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on the cost of assets less their residual values using the straight-line method on the basis of estimated useful life of the assets determined by the Company which are different from the useful life as prescribed in Schedule II of the Companies Act, 2013. The estimated useful life of the assets have been assessed based on taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support, etc. The estimated useful lives as assessed and considered for depreciation are as under:

Buildings	30 years
Leasehold Improvements	Over the period
Plant and machinery	15 years
Furniture and fixtures	5 years
Computer equipment	4 to 6 years
Office equipment	5 years

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Depreciation on additions is provided on a pro-rata basis from the date of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale/adjustment, as the case may be.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

(v) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their respective useful lives on a straight line basis from the date they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Software and other intangibles is amortised over 3-7 years, depending on its estimated useful life, on a straight-line basis.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or

method, as appropriate, and are treated as changes in accounting estimates.

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

(vi) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

(vii) Borrowing

Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred until they meet the criteria of being capitalized on qualifying assets.

(viii) Leasing

Company as lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over

the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ix) Foreign Currencies

a) 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 (i.e. 'the functional currency'). The financial statements are presented in Indian Rupee (rounded in Rs. in lakhs), the national currency of India, which is the Company's functional and presentation currency

b) Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

(x) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

- (a) Raw materials and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- (b) work in process and finished goods- Direct cost plus appropriate share of overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities.
- (c) Stock in trade are valued at lower of cost and net realisable value.
- (d) Goods in transit are valued at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete, slow moving and defective stocks are identified on the basis of regular reviews by the management and, where necessary, adequate provision is made for such stock.

(xi) Provisions and Contingent Liabilities

Provisions

The Company recognises a provision when there is a present obligation (legal or constructive) as a result of past event and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties

surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of receivable can be measured reliably.

Provision for Warranties:

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the next one year as per warranty terms. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Contingent liability

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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(xii) Revenue recognition

The Company recognises revenue when the control of goods being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of goods, dispatch or upon customer acceptance based on various distribution channels. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue recognised from major business activities:

a) Sale of products

Revenue from the sale of products is recognised at the point in time when control of the goods is transferred to the customer

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

and in case of export sales of goods, it takes place on dispatch of goods from the customs port..

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

The Contract assets and contract liabilities are recognised basis its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

b) Rendering of services

Revenue from a contract to provide services is recognised over the period of rendering of services.

c) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(xiii) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated accordance with the Income-tax Act, 1961, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to

be recovered from or paid to the taxation authorities.

Current tax is recognised in the statement of profit and loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when it relates

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

c) Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(xiv) Employee benefits

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, medical benefits, etc. which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

Defined contribution plan

Provident fund, superannuation fund and employee's state insurance are the defined contribution schemes offered by the Company. The contributions to these schemes are charged to statement of profit and loss of the year in which contribution to such schemes becomes due on the basis of services rendered by the employees.

Defined benefit plan

Charge for the year in respect of unfunded defined benefit plan in the form of gratuity has been ascertained based on actuarial valuation carried out by an independent actuary as at the year end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are

recognised immediately in Other Comprehensive Income. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

(xv) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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. The number of shares used in computing diluted earnings per share comprise of the weighted average shares considered for deriving basic earnings per equity share and weighted average number of equity shares, if any, which would have been issued on the conversion of all dilutive potential equity shares unless the impact is anti-dilutive. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

(xvi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xvii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)]

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

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

(a) Classification of financial assets

i. Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

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

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in the statement of profit and loss and is included in the 'Other income' line item.

ii. Investments in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

Currently, the Company does not have any investments in equity instruments which are held for trading and therefore none of the instruments are designated FVTOCI.

iii. Investments in equity instruments at Fair Value Through Profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in the statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(b) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit or loss.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in provision matrix and Company's historical experience for customers. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit and loss.

(c) Derecognition of financial assets

A financial asset is derecognised 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.

When 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 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 Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. For the purposes

of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Financial Liabilities including equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(a) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities

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

i. Financial liabilities at FVTPL

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

ii. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(c) Compound financial instruments

The component parts of compound financial instruments (preference shares) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon repayment.

The dividend portion classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the dividend portion classified as equity will remain in equity until repaid, in which case, the balance recognised in equity will be transferred to other component of equity. Refer note 1.C.(i).(b)

(d) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

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

(e) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities 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.

(xviii) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as whole.

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(xix) Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 1, 2024.

C Significant accounting judgements, estimates and assumptions

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Actual results may differ from the estimates.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

(i) Significant accounting judgements

In the process of applying the Company’s accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

(a) Contingent Liabilities

In ordinary course of business, the Company faces claims by various parties. The Company assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary.

The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

(b) Preference shares:

To consider accounting of preference shares as equity or liability depends on the substance of the arrangement with the preference shareholders (the holding company) and the conditions if the Company has a valid expectation of redemption of such preference share capital at the time of issue of these preference shares. The Company evaluates its operations, performance and expected cash flows at the time of issue of preference shares to consider its ability to repay (including timing thereof) the said preference shares.

The Company cumulatively never had significant cash flows/ profits to enable it to redeem the preference shares and considering substance of the arrangement with the preference shareholders, at the time of issue of preference shares referred to in Note 11 B, there was no valid expectations of this amount being repaid, as such the entire preference share capital was classified as equity. In respect of 25,00,000, 0.09% Non-Cumulative Redeemable Non-Convertible Preference Shares of Rs.10 (absolute amount) each issued on November 23, 2022, referred to in Note 15, based on evaluation the Company has designated these preference shares as financial liabilities at Fair Value Through Profit or Loss (FVTPL) as permitted by Ind AS 109. As on date of issuance (i.e. November 23, 2022), the present value of differential between the market interest rate and actual interest rate amounting Rs. 89 lakhs are classified as deemed equity contribution.

(ii) Significant estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

(a) Defined benefit plans/ Other Long term employee benefits

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

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans. Further details about various employee benefit obligations are given in Note 28.

(b) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amount and timing of future taxable income. The Company establishes provision, based on reasonable estimates. The amount of such provisions is based on various factors such as experience of previous tax audits and differing interpretations of tax regulation by the taxable entity and the responsible tax authority. Such differences in interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Companies.

(c) Leases

Ind AS 116 requires the Company to recognize a right-of-use lease asset and lease liability for operating and finance leases. The right-of-use asset is measured as the sum of the lease liability, prepaid or accrued lease payments, any initial direct costs incurred and any other applicable amounts.

The calculation of the lease liability requires the Company to make certain assumptions for each lease, including lease term and

discount rate implicit in each lease, which could significantly impact the gross lease liability, the duration and the present value of the lease liability. When calculating the lease term, the Company considers the renewal, cancellation and termination rights available to the Company and the lessor. The Company determines the discount rate by calculating the incremental borrowing rate.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-assets and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and accordingly records the right of use assets and lease liability for those assets.

(d) Allowance for Trade Receivables

The Company uses expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in provision matrix and Company's historical experience for customers.

(e) Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established with respect to products sold during the year on the basis of past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the next one year as per the company warranty policy. Management estimates the expense based on historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

2.1 PROPERTY, PLANT AND EQUIPMENT

	As at		As at				
	March 31, 2024		March 31, 2023				
Buildings	148						158
Leasehold improvements	64						60
Plant and Equipment	158						150
Furniture and Fixtures	30						37
Computer Equipment	130						151
Office Equipment	43						30
	573						586

	Buildings*	Leasehold improvements	Plant and Equipment	Furniture and fixtures	Computer equipment	Office equipment	Total
Gross Carrying Amount							
Balance at April 1, 2022	235	110	303	108	294	82	1,132
Additions	-	-	32	6	93	8	139
Disposals	-	-	(1)	-	(79)	(3)	(83)
Balance at March 31, 2023	235	110	334	114	308	87	1,188
Additions		17	30	12	32	26	117
Disposals					(30)		(30)
Balance at March 31, 2024	235	127	364	126	310	113	1,275
Accumulated depreciation							
Balance at April 1, 2022	66	38	156	58	178	48	544
Depreciation expense	11	12	29	19	53	11	135
Disposals / adjustments	-	-	(1)	-	(74)	(2)	(77)
Balance at March 31, 2023	77	50	184	77	157	57	602
Depreciation expense	10	13	22	19	51	13	128
Disposals / adjustments					(28)		(28)
Balance at March 31, 2024	87	63	206	96	180	70	702
	Buildings*	Leasehold improvements	Plant and Equipment	Furniture and fixtures	Computer equipment	Office equipment	Total
Carrying Amount							
Balance at April 1, 2022	169	72	147	50	116	34	588
Additions	-	-	32	6	93	8	139
Disposals	-	-	-	-	(5)	(1)	(6)
Depreciation expenses	(11)	(12)	(29)	(19)	(53)	(11)	(135)
Balance at March 31, 2023	158	60	150	37	151	30	586
Additions	-	17	30	12	32	26	117
Disposals	-	-	-	-	(2)	-	(2)
Depreciation expenses	(10)	(13)	(22)	(19)	(51)	(13)	(128)
Balance at March 31, 2024	148	64	158	30	130	43	573

* Buildings are constructed on leasehold land.

Note: The Company has opted to use the carrying value under previous GAAP as deemed cost for its property, plant and equipment. Refer Note 1.B.(iv) for accounting policy.

Amount is below rounding off threshold adopted by the company.

2.2 CAPITAL WORK-IN-PROGRESS

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Balance at the end of the year	-	16

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

CWIP Ageing Schedule:

As at March 31, 2024

Particulars	Amount in CWIP for a period of March 31, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	16	-	-	-	16
(ii) Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

3 OTHER INTANGIBLE ASSETS

	As at March 31, 2024	As at March 31, 2023
Computer software	38	16
	38	16

PARTICULARS	Computer Software
Gross Carrying Amount	
Balance at April 1, 2022	238
Additions / Adjustments	-
Disposals	-
Balance at March 31, 2023	238
Additions / Adjustments	48
Disposals	-
Balance at March 31, 2024	286
Accumulated amortisation and impairment	
Balance at April 1, 2022	193
Amortisation expenses	29
Disposals	-
Balance at March 31, 2023	222
Amortisation expenses	26
Disposals	-
Balance at March 31, 2024	248
Carrying Amount	
Balance at April 1, 2022	45
Additions	-
Disposals	-
Amortisation expenses	29
Balance at March 31, 2023	16
Additions	48
Disposals	-
Amortisation expenses	26
Balance at March 31, 2024	38

Note: The Company has opted to use the carrying value under previous GAAP as deemed cost for its intangible assets and for amortization period. Refer Note I.B.(v) for accounting policy.

Notes forming part of the financial statements for the year ended March 31, 2024 (All amounts in Rs. Lakhs, unless otherwise stated)

4 OTHER FINANCIAL ASSETS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits	81	88
	81	88
Current		
Security deposits	25	10
Interest accrued on fixed deposits with banks	0 #	0 #
	25	10

Amount is below rounding off threshold adopted by the Company

5 INCOME TAX ASSETS

	As at March 31, 2024	As at March 31, 2023
Tax assets		
Taxes paid (net of provisions)	81	45
	81	45

6 OTHER ASSETS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Non-Current		
Taxes and duties paid under protest	17	17
Balance with government authorities	10	5
Capital Advances	-	3
Prepaid Duties	3	-
Advances to employees	1	-
	31	25
Current		
Prepaid expenses	209	85
Balance with government authorities	193	146
Advance to suppliers	304	240
Advances to employees	9	11
Contract asset {refer note (i) below}	549	449
Others {refer note (ii) below}	21	22
	1,285	953

(i) Contract asset represents the amount of goods expected to be received by the Company on account of sales return. Also, refer disclosure made under note 17.

(ii) Includes 9,999 numbers of silver coins worth of Rs. 22 lakhs (2023: Includes 10,000 numbers of silver coins worth of Rs. 22 lakhs) which are procured for sales promotion activity.

7 INVENTORIES

(Lower of cost and net realisable value)

	As at March 31, 2024	As at March 31, 2023
Raw materials	2,111	2,596
Finished goods	4,470	3,810
Stock-in-trade	4,044	3,182
	10,625	9,588
Included in above, goods-in-transit:		
Raw materials	-	188
Finished goods	-	0#
Stock-in-trade	93	64
	93	252

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Notes

- (i) The cost of inventories recognised as an expense during the year is Rs. 26,085 lakhs (2023: Rs. 23,723 lakhs).
 (i) The cost of inventories recognised as an expense includes Rs. 131 lakhs (2023: Rs. 517 lakhs) in respect of write-downs of inventory or to bring the valuation of inventory to net realisable value.
 (ii) The method of valuation of inventories has been stated in note 1.B.(x).

Amount is below rounding off threshold adopted by the Company

8 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	4,777	4,860
Unsecured, significant increase in credit risk	347	495
Unsecured, credit impaired	319	319
Less: Allowance for bad and doubtful debts (refer note below)	(329)	(437)
	5,114	5,237

The Company uses expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the allowance for bad and doubtful debts for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The allowance for bad and doubtful debts is based on the ageing of the days the receivables are due and the rates as given in provision matrix and Company's historical experience for customers.

Notes

- (i) The credit period allowed generally varies on sales, on case to case basis, channel to channel and on market conditions.
 (ii) Trade Receivable Ageing Schedule (on gross basis)

As at March 31, 2024		Less than 6 months*	6 months -1 year	1-2 years	2-3 years	3 Year and More	Total
(i)	Undisputed Trade receivables – considered good	4,479	206	92	-	-	4,777
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	195	94	22	36	347
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	60	7	252	319
		4,479	401	246	29	288	5,443
As at March 31, 2023		Less than 6 months*	6 months -1 year	1-2 years	2-3 years	3 Year and More	Total
(i)	Undisputed Trade receivables – considered good	4,231	604	10	15	-	4,860
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	378	39	39	17	22	495
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	57	-	16	246	319
		4,609	700	49	48	268	5,674

* Includes amount not due of Rs. 2,611 lakhs (March 31, 2023: Rs. 785 lakhs).

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

(iii) There is one customer as at March 31, 2024 (March 31, 2023: one customer), representing more than 10% of the total balance of trade receivables.

(iv) Movement in allowance for bad and doubtful debts (expected credit loss):

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	437	379
Provided during the year	32	82
Utilised during the year	-	-
Reversed during the year	(140)	(24)
Balance at the end of the year	329	437

(v) The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

9 CASH AND CASH EQUIVALENTS

	As at	As at
	March 31, 2024	March 31, 2023
Balances with Banks		
-In current accounts	390	125
Cheques on hand	-	2
Cash on hand	1	1
	391	128

10 OTHER BANK BALANCES

	As at	As at
	March 31, 2024	March 31, 2023
Deposit accounts with maturity beyond three months upto twelve months*	2	2
	2	2

* Pledged with bank as security for guarantee issued on behalf of the Company

11 SHARE CAPITAL

A. Equity Share Capital

Authorised equity share capital:

90,00,00,000 (As at March 31, 2023: 90,00,00,000) equity shares of Re. 1 (absolute amount) each

	As at	As at
	March 31, 2024	March 31, 2023
	9,000	9,000
	9,000	9,000

Issued, subscribed and fully paid up equity share capital

10,09,50,000 (As at March 31, 2023: 10,09,50,000) equity shares of Re. 1 (absolute amount) each

	1,010	1,010
	1,010	1,010

(i) Reconciliation of authorised equity share capital

	Number of shares	Amount
	Balance at March 31, 2022	90,00,00,000
Add / Less: Movement during the year	-	-
Balance at March 31, 2023	90,00,00,000	9,000
Add / Less: Movement during the year	-	-
Balance at March 31, 2024	90,00,00,000	9,000

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

(ii) Reconciliation of issued, subscribed and fully paid up equity share capital

	Number of shares	Amount
Balance at March 31, 2022	10,09,50,000	1,010
Add / Less: Movement during the year	-	-
Balance at March 31, 2023	10,09,50,000	1,010
Add / Less: Movement during the year	-	-
Balance at March 31, 2024	10,09,50,000	1,010

The Company has not bought back any equity shares in aggregate in the last five financial years.

Terms/ rights attached to equity shares :

‘The Company has only one class of equity shares having a par value of Re. 1 (absolute amount) per share. Each holder of equity shares is entitled to one vote per share. All equity shareholders rank equally with regard to dividends and share in the Company’s residual assets. The equity shareholders are entitled to receive dividend as declared by the Company subject to payment of dividend to preference shareholders.

‘In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of equity shares held by the holding company:

	Number of fully paid shares	% holding in the shares
As at March 31, 2024		
Timex Group Luxury Watches B.V., the Holding Company	7,56,45,500	74.93%
As at March 31, 2023		
Timex Group Luxury Watches B.V., the Holding Company	7,56,45,500	74.93%

(iv) Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully Paid Equity Shares				
Timex Group Luxury Watches B.V.	7,56,45,500	74.93%	7,56,45,500	74.93%

(v) Shareholding of promoter

Share held by promoters at March 31, 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
Timex Group Luxury Watches B.V.	7,56,45,500	74.93%	0.00%

B. Non-convertible preference share capital

Authorised preference share capital

	As at March 31, 2024	As at March 31, 2023
8,00,00,000 (As at March 31, 2023: 8,00,00,000) preference shares of Rs. 10 (absolute amount) each	8,000	8,000
	8,000	8,000

Issued, subscribed and fully paid up preference share capital

	As at March 31, 2024	As at March 31, 2023
7,36,00,000 (As at March 31, 2023: 7,36,00,000) preference shares of Rs. 10 (absolute amount) each	7,360	7,360
	7,360	7,360

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

(i) **Equity component of redeemable preference share capital**

	Number of shares	Amount
Balance at March 31, 2022	7,61,00,000	7,610
Less: Redemption during the year	(25,00,000)	(250)
Balance at March 31, 2023	7,36,00,000	7,360
Balance at March 31, 2024	7,36,00,000	7,360

(ii) **Details of preference shares held by the holding company**

Class of shares / Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid preference shares				
Timex Group Luxury Watches B.V.				
0.09% (2023:0.09%) non cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (d)	25,00,000	100%	25,00,000	100%
13.88%(2023:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (a)	1,57,00,000	100%	1,57,00,000	100%
13.88%(2023:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (b)	2,29,00,000	100%	2,29,00,000	100%
5%(2023:5%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (c)	3,50,00,000	100%	3,50,00,000	100%

(iii) **Details of preference shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid equity shares				
Timex Group Luxury Watches B.V.				
0.09% (2023:0.09%) non cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (d)	25,00,000	100%	25,00,000	100%
13.88%(2023:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (a)	1,57,00,000	100%	1,57,00,000	100%
13.88%(2023:13.88%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (b)	2,29,00,000	100%	2,29,00,000	100%
5%(2023:5%) cumulative redeemable non convertible preference shares of Rs. 10 (absolute amount) each fully paid up - refer footnote (c)	3,50,00,000	100%	3,50,00,000	100%

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Footnotes:

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

Preference shares of all classes carry a preferential right as to dividend over equity shares. Where dividend on cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward whereas in the case of non-cumulative preference shares, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

Also refer Note 26.A.b for arrears of fixed cumulative dividends on redeemable non-convertible preference shares.

The preference shareholders, vide their letter dated March 31, 2020, have relinquished their voting rights accrued/accruing on the preference shares in terms of second proviso to section 47(2) of the Companies Act, 2013 due to non-payment of dividend till date or during the remaining tenure of preference shares.

During the year 2017-2018, the holders of preference share capital had waived off the dividend for the financial years 2016-17 and 2017-2018. The Company had obtained relevant approval from the holders of preference shares and regulatory authority for the waiver of dividend up to FY 2017-18 and extension of maturity of above preference shares.

- (a) The original maturity date for redemption of 1,57,00,000 13.88% cumulative redeemable non-convertible preference shares amounting Rs. 1,570 lakhs was ten years from the date of allotment i.e. March 27, 2004, with an option to the Company of an earlier redemption after March 27, 2006. These shares were due for redemption on March 26, 2014 which pursuant to the provisions of Section 106 of the erstwhile Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years i.e. till March 26, 2019 and were further extended by another five years, i.e. till March 26, 2024 (the date of maturity).

The Company has accumulated losses and does not have sufficient distributable profits for redemption of the 13.88% cumulative redeemable non-convertible preference shares ("13.88% CRNCPS") and accumulated/unpaid dividend thereon. Accordingly, for the purpose of redemption of these preference shares aggregating Rs. 1,570 lakhs along with accumulated/ unpaid dividend of Rs. 1,304 lakhs thereon till the date of maturity (subject to deduction of withholding tax of Rs. 142 lakhs), the Board of Directors has, in its meeting held on July 14, 2023, approved the issuance of up to 2,73,15,264, 10.75% Cumulative Redeemable Non-Convertible Preference shares of Rs.10/-each at par aggregating Rs. 2,732 lakhs ("10.75% CRNCPS"), on private placement basis to M/s Timex Group Luxury Watches B.V., the holding company of the Company, in terms of Section 55(3) of the Companies Act, 2013 subject to approval of equity shareholders, Hon'ble National Company Law Tribunal, Reserve Bank of India and other authorities, as may be required. The tenure of the 10.75% CRNCPS would be 20 years, with an option with either party for an early redemption anytime. The Members of the Company have approved this matter in their Annual General Meeting held on August 23, 2023 and the Company has filed an application dated October 19, 2023 with Hon'ble National Company Law Tribunal, Delhi Bench for their approval on the above matter. Hon'ble National Company Law Tribunal has completed the hearing on this matter on February 2, 2024 and reserved the Order on this matter. The Order is still awaited. Further, the Company has filed an application with Reserve Bank of India for approval of issuance of 10.75% CRNCPS as External Commercial Borrowings and is awaiting further communication on the same.

- (b) The original maturity date for redemption of 2,29,00,000 13.88% cumulative redeemable non-convertible preference shares amounting Rs. 2,290 lakhs was ten years from the date of allotment i.e. March 21, 2006, with an option to the Company of an earlier redemption after March 21, 2008. These shares were due for redemption on March 21, 2016 which pursuant to the provisions of Section 106 of the erstwhile Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years i.e. till March 21, 2021 and were further extended by another five years, i.e. till March 20, 2026.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

(c) The Company has issued 3,50,00,000 5% cumulative redeemable non-convertible preference shares amounting Rs. 3,500 lakhs with maturity period of 10 years from the date of allotment i.e. February 16, 2017, with an option to the Company of an earlier redemption after February 15, 2022.

(d) Also refer note 15(i) for liability component of preference shares.

Also refer note 26A (b)

12 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
Retained earnings	(681)	(2,758)
Securities premium	351	351
Equity component of compound financial instrument		
-Preference share capital (refer note 1.C.(i).(b) and 11.B)	7,449	7,449
	7,119	5,042

12.1 Retained earnings

	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	(2,758)	(7,414)
Profit for the year	2,084	4,652
Other comprehensive income arising from remeasurement of defined benefit obligation	(7)	4
Balance at end of the year	(681)	(2,758)

This represents the cumulative profits/(losses) of the Company and effects of re-measurement of defined benefit obligation. This can be utilised in accordance with the provisions of the Companies Act, 2013.

12.2 Securities premium

	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	351	351
Movement during the year	-	-
Balance at end of the year	351	351

Securities premium represents amounts received on issue of shares in excess of the par value has been classified as securities premium.

12.3 Equity component of compound financial instrument- Preference share

	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	7,449	7,610
Add : Equity component of shares issued during the year {refer note 15(i)}	-	89
Less: Redeemed during the year	-	(250)
Balance at end of the year	7,449	7,449

Represents equity component of issuance of non convertible non cumulative/cumulative preference shares issued by the Company. Also refer note 15.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

13 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 28.2)	771	663
Provision for compensated absences (refer note 28.3)	354	306
Provision for Long Term Incentive {refer footnote (ii) below}	462	459
	1,587	1,428
Current		
Provision for employee benefits		
Provision for gratuity (refer note 28.2)	111	89
Provision for compensated absences (refer note 28.3)	51	45
Provision for Long Term Incentive {refer footnote (ii) below}	101	118
Others		
Provision for warranties {refer note 1.B.(xii) and footnote (i) below}	279	295
Provision for customer claim- {refer note (iii)}	282	-
	824	547

Footnotes:-

Movement in other provisions are as follows:

	As at March 31, 2024	As at March 31, 2023
(i) Provision for warranties		
Opening Balance	295	212
Provision created/(reversed) during the year	477	504
Provision utilised during the year	(493)	(421)
Closing Balance	279	295

The Company provides warranty on its products. Product warranty cost are determine based on past experience and provided for in the year of sales.

	As at March 31, 2024	As at March 31, 2023
(ii) Provision for Long Term Incentive (refer note 28.4)		
Opening Balance	577	-
Provision created during the year	-	577
Provision reversed during the year	(14)	-
Provision utilised during the year	-	-
Closing Balance	563	577

(iii) Created during the year towards liability expected against customer claims.

14 OTHER LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Current		
Advances received from customers (contract liability)^	61	188
Statutory dues payable	306	312
Others*	15	15
	382	515

^ Advance from customers is recognised when payment is received before the related performance obligation is satisfied.

* Liability for contingencies represents probable outflow of resources for matters under litigation.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
As at the beginning of the year	188	50
Advances received / (Revenue recognised) (net)	(127)	138
As at the end of the year	<u>61</u>	<u>188</u>

15 BORROWINGS

	As at	As at
	March 31, 2024	March 31, 2023
Non-current		
Unsecured - at fair value through profit or loss		
0.09% non cumulative redeemable non convertible preference shares [refer note (i) below]	182	167
	<u>182</u>	<u>167</u>
Current		
Unsecured - at amortised cost		
Loan repayable on demand from banks [refer note (ii) below]		
-Cash credit from banks	-	2,297
	<u>-</u>	<u>2,297</u>
Amount undrawn from cash credit as on the balance sheet date	3,759	2462

- (i) 25,00,000 0.09% Non-cumulative redeemable non-convertible preference shares (0.09% NCR-NCPS) issued and allotted on November 22, 2022 on private placement basis for the purpose of redemption of 25,00,000 0.1% Non-Cumulative Redeemable Non-Convertible Preference Shares of Rs.10/- each (0.1% NCR-NCPS), which were due for redemption on March 24, 2023.

The original maturity date for redemption of 0.1% NCR-NCPS was ten years from the date of allotment i.e. March 25, 2003, with an option to the Company of an earlier redemption after March 24, 2005. These shares were due for redemption on March 24, 2013 which pursuant to the provisions of section 106 of the erstwhile Companies Act, 1956 was extended by the Company with the consent of preference shareholders by five years, i.e. till March 24, 2018 and further extended by another five years, i.e. till March 24, 2023. These 0.1% NCR-NCPS were redeemed on November 23, 2022.

The maturity date for redemption of 0.09% NCR-NCPS is five years from the date of allotment i.e. November 22, 2027, with an option with either party for an early redemption at any time. The Company has designated these preference shares as financial liabilities at FVTPL as permitted by Ind AS 109. As on date of issuance, the present value of differential between the market interest rate and actual interest rate amounting Rs. 89 lakhs are classified as deemed equity contribution.

During the year, no dividends was paid on these redeemable non-cumulative preference shares.

- (ii) Cash credit facilities from banks carry interest ranging between 9.11% to 10.54% p.a. (PY: 6.14% to 10.54% p.a.), computed on a monthly basis on actual amount utilised, and are repayable on demand. The cash credit facilities are backed through Standby Letter of Credit (SBLC) by Tanager Group B.V. (formerly known as Timex Group B.V.), an intermediate holding company.

16 TRADE PAYABLES

	As at	As at
	March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises;	726	508
Outstanding dues of creditors other than micro enterprises and small enterprises.	6,468	6,094
	<u>7,194</u>	<u>6,602</u>

Trade Payables aging schedule for the year ended as on 31 March 2024:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	726	-	-	-	726
(ii) Others	6,445	4	5	3	6,457
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	11	11
Total	<u>7,171</u>	<u>4</u>	<u>5</u>	<u>14</u>	<u>7,194</u>

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Trade Payables aging schedule for the year ended as on 31 March 2023:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year*	1-2 years	2-3 years	More than 3 years	
(i) MSME	508	-	-	-	508
(ii) Others	6,071	9	2	1	6,083
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	11	11
Total	6,579	9	2	12	6,602

* Trade payables for less than 1 year includes Rs 1,973 (March 31, 2023: 1,102 lakhs) of unbilled dues and amount not due of Rs. 4,465 lakhs (March 31, 2023: Rs. 105 lakhs)

Dues To micro enterprises and small enterprises

Trade payables include the following dues to micro and small enterprises covered under “The Micro, Small and Medium Enterprises Development Act, 2006” (MSMED) to the extent such parties have been identified on the basis of intimation received from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

	As at March 31, 2024	As at March 31, 2023
Amounts due to micro and small enterprises under MSMED based on the information available with the Company and the confirmation received from the creditors till the year end.		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount	726	508
- Interest due thereon	-	-
b) The amount of interest paid by the buyer under the MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year:		
- Principal amount adjusted during the year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act,2006 not paid).	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act,2006.	-	-

17 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Current		
Contract liability [refer note (i) below]	837	673
Payable for Property, Plant and Equipment	-	17
	837	690

- (i) Contract liability represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. Thus, it represents the value of sales the Company estimates to be returned on account of expected sales return.

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

18 REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products		
Manufactured goods	26,312	25,264
Watches	504	615
Components and others		
Traded goods	14,480	12,129
Watches		
	41,296	38,008
Income from services provided		
Support services	508	308
Customer Services	38	29
Income from Job Work	49	-
	595	337
	41,891	38,345
	Year ended March 31, 2024	Year ended March 31, 2023
Reconciliation of revenue recognised with contract price:		
A. Contract price	47,500	43,091
B. Adjustments for:		
Discount & Incentives as per contract/schemes	6,204	5,083
C. Revenue From Operations	41,296	38,008

19 OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on Investments measured at FVTPL	7	-
Interest income on financial assets carried at amortized cost		
- on bank deposits	0 #	0 #
- on others	9	7
Reversal of allowance for bad and doubtful debts	108	24
Liabilities /provisions no longer required written back	-	2
Other Income	32	-
Gain on sale of property, plant and equipment (net)	1	-
Net foreign exchange gains	120	-
	277	33

Amount is below rounding off threshold adopted by the Company

20 COST OF MATERIALS CONSUMED

	Year ended March 31, 2024	Year ended March 31, 2023
Opening stock of raw materials	2,596	1,806
Add: Purchases of raw materials	14,643	16,044
	17,239	17,850
Less: Closing stock of raw materials	2,111	2,596
Cost of materials consumed	15,128	15,254

20.1 Purchase of Stock In Trade

	Year ended March 31, 2024	Year ended March 31, 2023
Watches	10,760	9,942
	10,760	9,942

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

20.2 Changes In Inventories of Finished Goods, Work In Progress and Stock In Trade

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year:		
Finished goods	4,470	3,810
Stock-in-trade	4,044	3,182
	8,514	6,992
Inventories at the beginning of the year:		
Finished goods	3,810	1,969
Stock-in-trade	3,182	1,582
	6,992	3,551
(Increase)/decrease in inventories :		
Finished goods	(660)	(1,841)
Stock-in-trade	(862)	(1,600)
Net (Increase)/decrease in inventories	(1,522)	(3,441)

21 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	3,684	4,051
Contribution to provident and other funds (refer note 28.1)	211	189
Gratuity (refer note 28.2)	156	125
Compensated absences (refer note 28.3)	112	85
Workmen and staff welfare expenses	161	189
	4,324	4,639

22 FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on borrowings	84	185
Interest on lease liability (refer note 32)	100	111
Loss arising on financial liabilities designated at FVTPL	15	6
Others*	184	230
	383	532

*Represents standby letter of credit charges paid to Timex Group USA, Inc., fellow subsidiary of the Company.

23 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 2.1)	128	135
Amortisation of intangible assets (refer note 3)	26	29
Depreciation on ROU assets (refer note 32)	204	196
	358	360

24 OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Stores and spares consumed	47	68
Power and fuel	87	78
Selling and distribution expenses	488	490
Rent (refer note 32)	203	179
Repairs and maintenance:		
- Buildings	135	125
- Plant and machinery	41	67

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

24 OTHER EXPENSES (Contd.)

	Year ended March 31, 2024	Year ended March 31, 2023
- Others	23	29
Insurance	124	102
Rates and taxes	19	4
Advertising	2,287	1,315
Sales promotion	2,128	1,640
Professional and legal charges	306	164
Travelling and conveyance expenses	670	545
Directors' sitting fees	17	10
Allowance for bad and doubtful debts	-	83
Loss on sale of property, plant and equipment (net)	-	1
Property, plant and equipment written off	-	1
Bank charges	6	5
Communication expenses	73	61
Warranty expenses	477	504
Provision for customer claims	282	-
Meeting and conference	83	96
Purchased services	1,553	1,513
Support & Service Charges	699	709
Auditor remuneration (net of input tax credit):		
- As auditors (for audit)	23	22
- Limited reviews	12	11
- Taxation matters (for tax audit)	3	2
- Reimbursement of out of pocket expenses	3	2
Net loss on account of foreign exchange fluctuations	-	64
Miscellaneous expenses*	172	235
	9,961	8,125

* Does not include any item of expenditure with a value of more than 1% of the revenue from operations

25 Income Taxes

25.1

	As at March 31, 2023	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive income	As at March 31, 2024
Deferred Tax assets				
Property, plant and equipment and Intangible assets	59	(2)	-	57
Temporary difference on account of disallowances under the Income-tax Act, 1961	208	101	-	309
Unabsorbed depreciation	1,010	(815)	-	195
Lease liabilities (net of Right-of-use assets)	20	6	-	26
Provision for Allowance for bad and doubtful debts	110	(27)	-	83
Employee benefits	277	45	2	324
Total Deferred Tax assets	1,684	(692)	2	994

25.2 The income tax expenses for the year can be reconciled to the accounting profits as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax including comprehensive income	2,776	2,967
Income-tax expense / (credit) @ 25.168% (2022: 25.168%)	699	747
	699	747

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

25 Income Taxes (Contd.)

	Year ended March 31, 2024	Year ended March 31, 2023
25.2 Effect of adjustments related to assessment	-	-
Tax effect on temporary differences (net) for the year	-	174
Net Tax effect of setoff of earlier years losses/ unabsorbed depreciation against current year taxable profit	-	(921)
Tax effect arising on recognition of item relating to temporary differences and unabsorbed depreciation at the end of the year refer note 25 (ii)	-	(1,685)
Others	(7)	-
Tax expenses recognised in Statement of Profit and Loss	692	(1,685)

The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (2023: 25.168%) payable by the Company in India on taxable profits under the Indian tax law.

25.3 Tax effects of unrecognised deductible temporary, unused tax losses and unused tax credits:

	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	-	-
Deferred tax assets		
Provision for gratuity	222	189
Provision for compensated absences	102	88
Provision for allowance for bad and doubtful debts	83	110
Property, plant and equipment and intangible assets	57	59
Lease liabilities (net of Right -of-use-assets)	26	20
Unabsorbed depreciation	195	1,010
Temporary difference on account of disallowances under the Income-tax Act, 1961	309	208
	994	1,684
Deferred tax asset recognised	994	1,684
Net deferred tax asset	994	1,684

Footnotes to Note 25:

- (i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (ii) On March 31, 2023, considering the fact that the Company was making taxable profits in the recent years owing to improvements in business conditions and financial performance, the Company recognised deferred tax assets amounting Rs. 1,684 lakhs (including Rs. 1,010 lakhs in respect of unabsorbed depreciation) in the financial statements for the year ended March 31, 2023 as it is considered probable that future taxable profits will be available
- (iii) On 29th November 2019 the Company has signed Unilateral Advance Pricing Agreement (APA) with the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India wherein the Company has agreed on the methodology to be followed for determining the Arm's Length Price of the transactions covered by the agreement. The Company has complied with the details mentioned in the agreement and has filed compliance report with the authorities on 26th February 2020. The above disclosure has been considered after effect of APA, however the compliance report filed by the Company are yet to be audited / verified by the authorities.

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

26 CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
A Contingent Liabilities		
a. Claims against the Company not acknowledged as debts:		
Sales tax	452	144
Income tax	465	465
Customs Duty	124	124
Others- Pricing Claims / Vendor Claims	268	550
b. Dividend on cumulative preference shares*		
2012-13 to 2017-18	-	-
2018-19	711	711
2019-20	711	711
2020-21	711	711
2021-22	711	711
2022-23	711	711
2023-24	711	-
Corporate dividend tax on cumulative preference shares*		
2012-13 to 2017-18	-	-
2018-19	-	-
2019-20	-	-
2020-21	-	-
2021-22	-	-
2022-23	-	-
2023-24	-	-

The dividend liability on 15,700,000 2.9% cumulative redeemable non-convertible preference shares of Rs. 10 each and 22,900,000 5.4% cumulative redeemable non-convertible preference shares of Rs. 10 each, payable until 31 March 2009, was waived off as per the consent of the holders of these preference shares vide their letter dated 15 March 2009. The coupon rate applicable to these series of preference shares was revised to 7.1% effective 1 April 2009 till the date of maturity. The holders of these preference shares have further waived the dividend for the years 2012-13, 2013-14, 2014-15 and 2015-16, subject to the condition that the coupon rate for these series shall be revised from 7.1% to 13.88%. During the financial year 2016-17, the Company obtained relevant approvals from the regulatory authorities and the coupon rate applicable to these series of preference shares was revised to 13.88% effective 1 April 2016 till the date of maturity. Further, the holders of these preference shares have waived the dividend for the financial years 2016-17 and 2017-18. The dividend liability on 35,000,000 5% cumulative redeemable non-convertible preference shares of Rs. 10 each payable until 31 March 2018, was waived off as per the consent of the holders of these preference shares vide their letter dated 22 February 2018.

Thus there is no outstanding dividend on cumulative preference shares as at March 31, 2018. Also refer Note 11.B.

- c. The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

B Commitments

- a. The estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 3 Lakhs (2023: Rs. 30 Lakh).

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

- C** The Company has other commitments, for purchases / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods and services, employee benefits. The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.
- D** There are no amount due for payment to the Investor Education and Protection Fund under Section 125(1) of the Companies Act, 2013
- E** The Hon'ble Supreme Court of India vide its judgement dated February 28, 2019 and subsequent review petition has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act, 1952.
- There is significant uncertainty as to how the liability, if any, should be calculated for the period up to February 28, 2019 as it is impacted by multiple variables, including the period of assessment, the application with respect to certain current and former employees and whether the interest and penalties may be assessed. The Management have determined that on account of the practicality of application of the judgement, the Company would not be in a position to determine the liability as of now, The Company is of the opinion that the amount cannot be reasonably estimated.
- As a matter of caution, the Company has made a provision on prospective basis from the date of such ruling i.e. March 1, 2019.

27 RELATED PARTY TRANSACTIONS

27.1 Description of related parties

A	Ultimate Holding Company	BP Horological Group L.L.C*
	Intermediate Holding Companies	BP Horological Holdings L.L.C* Tanager Group B.V. (formerly known as Timex Group B.V.) Timex Nederland B.V.
	Holding Company	Timex Group Luxury Watches B.V.*
B	Fellow Subsidiary Companies (Only with whom the Company had transactions during the current year and previous year)	Timex Group USA, Inc. Vertime B.V. Timex Group Canada, Inc. Time Master Watches and Accessories Private Limited
C	Key Managerial Personnel	Mr. David Thomas Payne * (Non-Executive Director & Chairman) Mr. Sylvain Ernest Louis Tatu* (Non- Executive & Non-Independent Additional Director) - [up to 27 th November 2023] Mr. Marco Zambianchi* (Non- Executive & Non-Independent Director)- [from 1 st Feb 2024] Mr. Deepak Chhabra (Managing Director) Ms. Gagan Singh (Non-Executive & Independent Director) - [up to 31 st March 2024] Mr. Pradeep Mukerjee (Non-Executive & Independent Director) - [up to 31 st March 2024] Mr. Bijou Kurien (Non- Executive & Independent Director) - [up to 31 st March 2024] Mr. Dhanashree Ajit Bhat (Non- Executive & Independent Director) -[from 1 st Feb 2024] Ms. Meeta Makhan (Non- Executive & Independent Director)- [from 1 st Feb 2024] Mr. Sanjeev Kumar(Non- Executive & Independent Director)- [from 1 st Feb 2024] Mr. Amit Jain (Chief Financial Officer) Mr. Dhiraj Kumar Maggo (Company Secretary)
D	Post Employment Benefits Plan	Timex Watches Provident Fund Trust Timex Watches Superannuation Fund

* No transactions during the current year and previous year

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

27.2 Disclosure of transactions between the Company and related parties

Nature of transaction	Related Party	Year ended	Year ended
		March 31, 2024	March 31, 2023
Sale of products	Timex Nederland B.V.	948	1,214
	Timex Group USA, Inc.	-	0 #
	Timex Group Canada, Inc.	-	0 #
		948	1,214
Reimbursement of expenses (received/receivable)	Timex Nederland B.V.	8	60
	Vertime B.V.@	175	93
		183	153
Reimbursement of expenses (paid/payable)	Timex Group USA, Inc.	164	230
	Vertime B.V.	2	-
		166	230
Purchase of products	Vertime B.V.	1,813	1,220
	Timex Nederland B.V.	5,701	4,329
		7,514	5,549
Redemption of Preference Share	Timex Group Luxury Watches B.V.	-	250
		-	250
Issuance of Preference Share	Timex Group Luxury Watches B.V.	-	250
		-	250
Service income	Timex Group USA, Inc.	259	163
	Timex Nederland B.V.	110	117
	Time Master Watches and Accessories Private Limited	189	28
		558	308
Service charges paid	Timex Group USA, Inc. @	1,020	819
	Timex Nederland B.V.	-	12
		1,020	831
Key management personnel compensation	Short-term benefits [includes sitting fees]	645	648
	Post-employment benefits	17	11
	Other long-term benefits*	-4	326
		658	985
	Mr. Deepak Chhabra	334	524
	Mr. Amit Jain	170	249
	Mr. Dhiraj Maggo	137	201
	Ms. Gagan Singh (siting fees)	5	4
	Mr. Pradeep Mukerjee (siting fees)	5	4
	Mr. Bijou Kurien (siting fees)	4	3
	Mr. Dhanashree Ajit Bhat (siting fees)	1	-
	Ms. Meeta Makhan (siting fees)	1	-
	Mr. Sanjeev Kumar (siting fees)	1	-
		658	985
Employee Benefits Expense	Timex Watches Provident Fund Trust	144	120
	Timex Watches Superannuation Fund	4	4
		148	124

@ Included in sales promotion expense

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

27.3 Disclosure of outstanding balances as at the year end between the Company and related parties

Outstanding balances	Related Party	As at	As at
		March 31, 2024	March 31, 2023
Receivables	Timex Group USA, Inc.	149	134
	Timex Group Canada, Inc.	-	0#
	Timex Nederland B.V.	324	720
	Time Master Watches and Accessories Private Limited	66	30
		539	884
Payables	Timex Group USA, Inc.	1,024	894
	Timex Nederland B.V.	2,014	1,753
	Vertime B.V.	516	344
		3,554	2,991

For preference share issued to the holding company-refer note 11 B (iii), 15 (i)

Amount is below rounding off threshold adopted by the Company

* Based on actuarial valuation included under provisions for long term incentive (refer note 28.4)

Foot notes :

- Sale and purchase of goods and services to and from related parties and other transactions with related parties were made at arms length price.
- All outstanding balances are unsecured and are repayable in cash. No expense has been recognised in the current or prior years for bad and doubtful debts in respect of amounts owed by related parties.
- Tanager Group B.V. (formerly known as Timex Group B.V.), an intermediate holding company, has provided Standby Letter of Credit (SBLC) amounting to Rs. 3,780 lakhs as on March 31, 2024 (2023: Rs. 4,780 lakhs) (including unfunded limit) to the bankers of the Company for use of cash credit and overdraft facilities (including working capital loans).

28 EMPLOYEE BENEFITS

28.1 Defined contribution plans:

	Year ended March 31, 2024	Year ended March 31, 2023
Superannuation fund (Refer to note (i) below)	4	4
Provident fund (Refer to note (ii) below)	200	177
Employees' State Insurance Corporation (Refer to note (iii) below)	6	8
	210	189

The expenses incurred on account of the above defined contribution plans have been included in Note 21 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

(i) Superannuation fund

The Company's contribution paid/ payable under the scheme to the Superannuation Fund Trust, as administered by the Company is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The trustees of the scheme have entrusted the administration of the trust scheme to Life Corporation of India Limited (LIC).

(ii) Provident fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund to Timex Watches Provident Fund and Recognised Provident Fund. The contributions are charged to the statement of Profit and Loss as they accrue.

(iii) Employee State Insurance fund

The Company's contribution paid/ payable under the scheme to the Employee State Insurance is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

28.2 Defined benefit plans

Gratuity- The Company provides for gratuity for employees as per the Payment of Gratuity Act 1972. The Company operates a post-employment defined benefit plan that provides for gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded by plan assets.

- (i) **These plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.**

Investment

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in 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.

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 value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

- (ii) **The principal assumption used for the purpose of the actuarial valuation were as follows:**

	As at March 31, 2024	As at March 31, 2023
Discount rate (p.a)	7.18%	7.35%
Salary increase rate (p.a)	10.00%	10.00%
Retirement age (years)	58	58
Mortality rates	IALM (2012-14)	IALM (2012-14)
Withdrawal rate		
Up to 30 years	13.00%	15.00%
31 to 44 years	11.00%	10.00%
Above 44 years	6.00%	9.00%

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

- (iii) **Amounts recognised in statement of profit and loss in respect of Gratuity benefit plan is as follows:**

	Year ended March 31, 2024	Year ended March 31, 2023
Current Service cost	91	83
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	55	47
	146	130

These amounts for the year are included in Note 21 "Employee Benefits Expenses".

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

28.2 Defined benefit plans (Contd.)

(iv) Amounts recognised in Other Comprehensive Income:

	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial (gain)/losses arising from change in demographic assumptions	16	7
Actuarial (gain)/losses arising from changes in financial assumptions	10	(27)
Actuarial (gain)/losses arising from changes in experience adjustments	(17)	15
	9	(5)

(v) The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit	882	752
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	(882)	(752)
Effect of asset ceiling, if any	-	-
Net assets / (liability)	(882)	(752)

(vi) Movements in the present value of defined benefit obligation are as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	752	691
Current Service Cost	91	83
Interest Cost	55	47
Actuarial (gain)/losses arising from change in demographic assumptions	16	7
Actuarial (gain)/losses arising from changes in financial assumptions	10	(27)
Actuarial (gain)/losses arising from changes in experience adjustments	(17)	15
Benefits paid	(25)	(64)
Closing defined benefit obligation	882	752

(vii) Classification into non-current and current:

	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Non-current	771	663
Current	111	89
	882	752

(viii) The average duration of the defined benefit obligation is 8 years. The expected cash out flow during the next financial year is Rs. 111 Lakhs.

(ix) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024		As at March 31, 2023	
	Discount Rate	Salary escalation rate	Discount Rate	Salary escalation rate
Defined benefit obligation on plus 100	818	951	701	808
Defined benefit obligation on minus 100	954	819	810	702

(x) **Maturity Profile of Defined Benefit Obligation**

	Expected cash flows over the next (valued on undiscounted basis):	Indian Rupees (INR)
a)	1 year	111
b)	2 to 5 years	301
c)	6 to 10 years	463
d)	More than 10 years	835

28.3 Other long-term employee benefit

Amounts recognized in the statement of profit and loss in note 21 Employee

Benefits expense

Compensated absences expenses

	Year ended March 31, 2024	Year ended March 31, 2023
	112	85
	112	85

The defined benefit obligation which are provided for but not funded are as under:

	Year ended March 31, 2024	Year ended March 31, 2023
Compensated absences liability:		
Non-Current	354	306
Current	51	45
	405	351

28.4 Long Term incentive

On July 04, 2022, pursuant to the approval by the Board of Directors, the Company has approved Long Term Incentive Plan (LTIP) to eligible employees of the Company dependent on the Company performance over next 3 years. The Company has considered the same as Other long term employee benefits and accordingly has recorded the liability through actuarial valuation. The Discount rate used is 7.11%.

29 SEGMENT REPORTING

The Company is primarily in the business of manufacturing and trading of watches and rendering of related after sales service (“Watches”). The other activities of the Company comprises of providing information & technology support services to the group companies. The income from these other activities is not material in financial terms. The Managing Director of the Company, who has been identified as being the chief operating decision maker (CODM), evaluates the Company’s performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment of the Company.

Entity wide disclosure

Revenue from operations

- Domestic
- Overseas

	Year ended March 31, 2024	Year ended March 31, 2023
	40,217	36,765
	1,674	1,580
	41,891	38,345

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Non current segment assets

	As at March 31, 2024	As at March 31, 2023
-Within India	1,520	1,697
-Outside India	-	-
	1,520	1,697

Domestic information includes sales and services to customers located in India.

Overseas information includes sales and services rendered to customers located outside India.

Non-current segment assets includes property, plant and equipments, right of use assets, capital work in progress, intangible assets and other non current assets.

There is only one customer representing more than 10% of the total company's revenue for the financial year 2023-24 and 2022-23.

30 EARNINGS PER SHARE

	Year ended March 31, 2024	Year ended March 31, 2023
Profit after tax	2,084	4,652
Less: Preference share dividend and tax thereon (refer note 11.B.(iii))	(711)	(711)
Profit attributable to the equity holders of the Company used in calculating basic earning per share and diluted earning per share	1,373	3,941
Weighted average number of equity shares for the purpose of calculating basic earnings per shares and diluted earnings per share	10,09,50,000	10,09,50,000
Nominal value per equity share (INR) (absolute amount)	10	10
Basic Earnings per share (Rs.) (absolute amount)	1.36	3.90
Diluted Earnings per share (Rs.) (absolute amount)	1.36	3.90

There are no dilutive instrument issued by Company

31 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

31.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders through maintaining reasonable balance between debt and equity. The capital structure of the Company consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Company. Holding Company has infused capital by way of preference shares as and when needed. The Company's management reviews the capital structure of the Company on a periodic basis. As part of review, the management considers the cost of capital and risk associated with each class of capital {refer note 1.B.(xviii)}.

The following table provides detail of the debt and equity at the end of the reporting period:

	As at March 31, 2024	As at March 31, 2023
Debt*	182	2,464
Cash & cash equivalents	391	128
Bank balances other than cash & cash equivalents above	2	2
Net Debt	(211)	2,334
Total Equity	8,129	6,052
Net debt to equity ratio	-3%	39%

* Including liability component of preference shares. Also refer note 15(i).

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

31.2 Financial instruments by category

	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Measured at amortised cost[^]		
(a) Trade Receivables	5,114	5,237
(b) Cash and cash equivalents	391	128
(c) Bank balances other than above	2	2
(d) Other financial assets	106	98
	5,613	5,465
Financial Liabilities		
Measured at fair value through profit or loss (FVTPL)		
(a) Borrowings	182	167
Total financial liabilities measured at FVTPL (A)	182	167
Measured at amortised cost [^]		
(a) Borrowings	-	2,297
(b) Lease liabilities	983	1,134
(b) Trade Payables	7,194	6,602
(c) Other financial liabilities	837	690
Total financial liabilities measured at amortised cost (B)	9,014	10,723
Total Financial liabilities (A+B)	9,196	10,890

[^] Carrying value of the financial assets and liabilities designated at amortised cost approximates its fair value.

31.3 Financial Risk Management

The Board of directors has approved risk management policy which provides framework to identify, evaluate business risk and challenges across the company. The company has constituted risk management committee of senior management team. These policies and guidelines cover foreign currency risk, credit risk and liquidity risk. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the Company's results and financial position.

31.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies.

Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities and financing activities.

In the operating activities, the Company's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company are mainly in U.S. Dollar (USD). The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in Rs., are as follows:

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Original currency	As at March 31, 2024		As at March 31, 2023	
		(Original currency in lakhs)	(Rs. in lakhs)	(Original currency in lakhs)	(Rs. in lakhs)
Trade receivables	USD	6	473	10	854
Trade payables	USD	43	3,623	38	3,152
	HKD	6	60	8	82
	CHF	6	516	4	344
	JPY	15	8	25	16

The Company does not enter into or trade financial instrument including derivative financial instruments for speculative purpose.

Foreign currency sensitivity analysis

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

	Year ended 31, 2024		Year ended 31, 2023	
	Rs. strengthens by 1%	Rs. weakens by 1%	Rs. strengthens by 1%	Rs. weakens by 1%
Impact on profit/(loss) for the year				
USD	32	(32)	23	(23)

31.3.2 Credit Risk Management

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 from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. Refer note 8 for the disclosures for trade receivables.

Financial assets for which loss allowance is measured:

	Note No.	As at	As at
		March 31, 2024	March 31, 2023
Trade receivables	8	329	437
		329	437
Balance at the beginning		437	379
Provided during the year		32	82
Utilised during the year		-	-
Reversed during the year		(75)	(24)
Balance at the end		394	437

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

Notes forming part of the financial statements for the year ended March 31, 2024 (All amounts in Rs. Lakhs, unless otherwise stated)

31.3.3 Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles and realisation of financial assets with the liabilities. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities (undiscounted):

As at March 31, 2024	<1 year	1 to 5 years	>5 years	Total	Carrying Value
Borrowings (includig equity component)	-	250	-	250	250
Lease liabilities	277	941	-	1,218	983
Trade payables	7,194	-	-	7,194	7,194
Other financial liabilities	837	-	-	837	837
	8,308	1,191	-	9,499	9,264

As at March 31, 2023	<1 year	1 to 5 years	>5 years	Total	Carrying Value
Borrowings (includig equity component)	2,297	250	-	2,547	2,547
Lease liabilities	271	1,072	117	1,460	1,134
Trade payables	6,602	-	-	6,602	6,602
Other financial liabilities	690	-	-	690	690
	9,860	1,322	117	11,299	10,973

32 LEASES

DISCLOSURES AS REQUIRED UNDER IND AS 116:

The Company has entered into various lease agreements for acquiring space to do its day to day operations. Such lease contracts include monthly fixed payments for rentals. The lease contracts are generally cancellable at the option of lessee during the lease tenure. The Company also have a renewal option after the expiry of contract terms. There are no significant restrictions imposed under the lease contracts.

The Company has entered into a lease agreement of 95 years for its factory land located in Baddi which is operational. The lease contract amount is fully paid and there are no significant restrictions imposed under the lease contracts. Earlier these contracts were recorded as operating lease and now these have been accounted as Right of Use assets under Ind AS 116.

Right of use assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

Particulars	(Rs. in lakhs)		
	Lease of Office / Warehouse Space	Lease of Land	Total
Balance as of April 1, 2023	927	126	1,053
Additions	29	-	29
Deletions	-	-	-
Depreciation	203	1	204
Balance as of March 31, 2024	753	125	878

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

The following is the movement in lease liabilities during the year ended March 31, 2024:

(Rs. in lakhs)

Lease Liability	Total
As at April 1, 2023	1,134
Additions made during the year	27
Deletions during the year	-
Finance cost accrued during the year	100
Payment of lease liabilities	(278)
Balance as of March 31, 2024	983

The following is the break-up of current and non-current lease liabilities as of March 31, 2024

(Rs. in lakhs)

Lease Liability	Total
Non - current	788
Current	195
As at March 31, 2024	983

Following amount has been recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Lease of Office / Warehouse Space	Lease of Land	Total
Depreciation on right to use asset	203	1	204
Finance costs	100		100
Total amount recognised in Statement of Profit and Loss			304

Lease commitments

Where the Company is a lessee/licensee

The Company has entered into various lease/license agreements for leased/licensed premises, which expire at various dates over the next nine years. There are no contingent lease/license fees payments. The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows :

Particulars	March 31, 2024
(i) not later than one year	277
(ii) later than one year and not later than five years	941
(iii) later than five years	-
	1,218

Expense relating to short term leases with lease term of less than 1 year during the financial year is Rs. 24 Lakhs (year ended March 31, 2023: 24 lakhs).

Expense relating to low value assets with long term lease period during the financial year is Rs. NIL.

There are no sale and lease back transactions. There are no sub leases of right of use assets

Notes forming part of the financial statements for the year ended March 31, 2024 (All amounts in Rs. Lakhs, unless otherwise stated)

33 RATIOS

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

S. No.	Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance	Reason for variance where % of variance is more than 25%
1	Current Ratio	Current assets	Current liabilities	1.85	1.47	26%	The ratio has improved on account of increase in inventory as compared to previous year on account of introduction of new product during the year, and also increase in cash and cash equivalent
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.02	0.41	-95%	The ratio has improved mainly due to repayment of borrowings through cash generated from operations during the year.
3	Debt Service Coverage Ratio,	Earnings available for debt service(2)	Debt Service(3)	6.03	1.28	371%	Better debt services coverage ratio due to improved business performance in the current year as against previous year.
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	29%	122%	-76%	Change in equity ratio mainly due to change in deferred tax (deferred tax expense is recognised in current year as compared to deferred tax credit recognised in previous year) and business performance as against previous year.
5	Inventory Turnover	Cost of Goods Sold	Average Inventory	2.41	2.91	-17%	
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivable	8.09	7.60	7%	
7	Trade payables turnover ratio	Purchases of material, services and other expense	Average Trade Payables	4.90	5.37	-9%	
8	Net capital turnover ratio	Revenue from operations	Working Capital (4)	5.23	7.53	-31%	Change is mainly on account of increase in the current assets and lower current liabilities due to increase in inventories and cash and cash equivalent as compared to previous year. Further there is also increase in the revenue during the current year.
9	Net profit Ratio (%)	Net Profit after tax	Revenue from operations	5.0%	12.1%	-59%	Change in net profit ratio mainly due to change in deferred tax (deferred tax expense is recognised in current year as compared to deferred tax credit recognised in previous year) and higher marketing and sales promotion partially off-set by higher sales/business performance.
10	Return on Capital employed	Earning before interest and taxes	Capital Employed(5)	38%	41%	-7%	
11	Return on investment	Income generated from investments	Investments	N/A	N/A	N/A	

*N/A - Not applicable.

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

- (1) Debt represents only short-term borrowings
- (2) Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
- (3) Debt Service = Short-term debts and Interest on borrowings
- (4) Working Capital = Current Assets - Current Liabilities
- (5) Capital Employed = Tangible net worth + Debts
- 34 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- 35 The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”
- 36 **Transfer Pricing**

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. The management is of the opinion that its international transactions are at arm’s length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 37 The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.
- 38 The Company does not have any immovable properties [other than properties (including buildings constructed there on included in Property, plant and Equipment disclosed in the financial statement) where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee].
- 39 No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 40 The Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- 41 The Company has no borrowings from banks or financial institutions on the basis of security of current assets.
- 42 There are no charges or satisfaction yet to be registered by the Company with ROC beyond the statutory period..
- 43 The Company has not entered into transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 2013.
44. Ministry of Corporate Affairs (MCA) vide its notification number G.S.R. 206(E) dated March 24, 2021 (amended from time to time) in reference to the proviso to Rule 3 (1) of the Companies (Accounts) Amendment Rules, 2021, introduced the requirement of only using such accounting software w.e.f. April 01, 2023 which has a feature of recording audit trail of each and every transaction, creating an edit

Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Institute of Chartered Accounts of India (“ICAI”) issued an “Implementation guide on reporting on audit trail under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 edition)” in February 2024 relating to feature of recording audit trail.

The Company uses Oracle R12 EBS as its primary accounting software for recording all the accounting transactions and maintaining its books of account for the year ended March 31, 2024. Oracle R12 EBS has a feature of recording audit trail (edit log) facility which has not been enabled throughout the year.

In respect of maintaining payroll records, the Company uses an accounting software operated by a third party software service provider. Based on the independent service auditor’s report which includes the requirements of audit trail, the said software has a feature of recording audit trail (edit log) facility and the same has operated throughout the year. Further, no instance of audit trail feature being tampered with has been reported in such auditor’s report.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2024. The Management is in the process of evaluating the options to ensure compliance with the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 referred above in respect of audit trail.

45. “As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up on daily basis of such books of account and other relevant books and papers maintained in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times however backup is not maintained in India and is presently maintained in servers in Singapore.”

For and on behalf of the Board of Directors of Timex Group India Limited

David Thomas Payne
Chairman
(DIN - 07504820)
Place : Connecticut, USA
Date : May 28, 2024

Deepak Chhabra
Managing Director
(DIN - 01879706)
Place : Noida
Date : May 28, 2024

Dhiraj Kumar Maggo
Vice President - Legal, HR & Company Secretary
(Membership No.:F7609)
Place : Noida
Date : May 28, 2024

Amit Jain
Chief Financial Officer
(PAN - AAAMPJ9232F)
Place : Noida
Date : May 28, 2024

Place : Noida
Date : May 28, 2024

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Registered Office: E-10, Lower Ground Floor, Lajpat Nagar-III, New Delhi - 110 024.

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