# TIMEXGROUP

Timex Group India Limited Unit No 303, 3rd Floor, Tower B, World Trade Tower (WTT), C-1, Sector-16, Noida - 201301, Uttar Pradesh, INDIA CIN: L33301DL1988PLC033434

Tel.: +91 120 474 1300 Fax: +91 120 474 1440

Website: www.timexindia.com
E-mail: feedback@timexindia.com

May 28, 2024

The Secretary BSE Limited PJ Towers, Rotunda Bldg., Dalal Street, Fort Mumbai 400 001

Scrip Code: 500414

**Subject: Outcome of Board Meeting** 

Dear Sir(s)

Please be informed that the Board of Directors has, in its meeting held today i.e., May 28, 2024, interalia, considered and approved Audited Financial Results of the Company for the year ended on March 31, 2024 and the Financial Results for the quarter ended on March 31, 2024.

In compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the said results along with the Auditors' Report thereon with unmodified opinion, the declaration for the same is attached herewith for your reference.

Time of Commencement of Board Meeting: 4:30 p.m.

Time of conclusion of Board Meeting: 7:25 p.m.

The above results are also being disseminated on Company's website at www.timexindia.com.

This is for your kind information and record.

Thanking you,
For Timex Group India Limited

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

Chartered Accountants
7<sup>th</sup> Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase - Il
Gurugram - 122 002
Haryana, India

Tel: +91 124 679 2000 Fax: +91 124 679 2012

# INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF TIMEX GROUP INDIA LIMITED

#### **Opinion and Conclusion**

We have (a) audited the Financial Results for the year ended March 31, 2024 and (b) reviewed the Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2024" of **Timex Group India LIMITED** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

## (a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2024:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

# (b) Conclusion on Unaudited Financial Results for the quarter ended March 31, 2024

With respect to the Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Basis for Opinion on the Audited Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical

Regd. Office: One International Centre, Tower 3, 32<sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India. Deloitte Haskins & Sells LLP is registered with Limited Liability having LLP Identification No. AAB-8737

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.

### Management's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2024 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities**

# (a) Audit of the Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2024 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 this Financial Results.

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 Annual Financial Results, whether due to
  fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
  evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting
  a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may
  involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results 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 Annual Financial Results.

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

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

# (b) Review of the Financial Results for the quarter ended March 31, 2024

We conducted our review of the Financial Results for the quarter ended March 31, 2024 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Other Matters

The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our report on the Statement is not modified in respect of this matter.

#### For DELOITTE HASKINS & SELLS LLP

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

Pramod B. Shukla

Partner

(Membership No. 104337)

(UDIN: 24104337BKFNMY2496)

Place: Noida

Date: May 28, 2024

#### TIMEX GROUP INDIA LIMITED

Registered Office: E-10, Lower Ground Floor, Lajpat Nagar - III, New Delhi - 110024
Telephone No: +91-11-41021297 | Email: feedback@timexindia.com
Website: www.timexindia.com | CIN: L33301DL1988PLC033434

### FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(Rs. in lakhs except per share data)

C	Partianta na	Outsides and ad			(Rs. in lakhs except per share data)	
Sr.	Particulars	Quarter ended March 31, December 31, March 31,		Year ended March 31, March 31,		
		March 31, 2024	2023	2023	2024	2023
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Revenue from operations	9,206	9,420	8,331	41,891	38,345
2	Other income	148	35	4	277	33
3	Total Income (1+2)	9,354	9,455	8,335	42,168	38,378
4	Expenses					
	a. Cost of materials consumed	2,942	2,649	3,139	15,128	15,254
	b. Purchases of stock-in-trade	3,132	2,854	2,101	10,760	9,942
	c. Changes in inventories of finished goods, work-in- progress and stock-in-trade	(606)	226	(653)	(1,522)	(3,441)
	d. Employee benefits expense	707	1,186	1,176	4,324	4,639
	e. Finance costs	88	75	121	383	532
	f. Depreciation and amortisation expenses	91	88	85	358	360
	g. Other expenses	2,062	2,576	1,812	9,961	8,125
	Total expenses (4)	8,416	9,654	7,781	39,392	35,411
5	Profit/(Loss) before exceptional items and tax	938	(199)	554	2,776	2,967
	(3-4)				·	
6	Exceptional items	-	-	-	-	-
7	Profit/(Loss) before tax (5-6)	938	(199)	554	2,776	2,967
8	Tax expense (Refer Note 5)					
	- Current tax	-	-	-	-	-
	- Deferred tax	230	(50)	(1,685)	692	(1,685)
	Total Tax expenses (8)	230	(50)	(1,685)	692	(1,685)
9	Profit/(Loss) for the period (7-8)	708	(149)	2,239	2,084	4,652
10	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	- Gain / (loss) on defined benefit obligations	(9)	_	5	(9)	5
	- income tax relating to items that will not be	2	_	(1)	2	(1)
	reclassified to profit or loss			(1)	2	(1)
11	Total Other Comprehensive Income	(7)	-	4	(7)	4
12	Total Comprehensive Income for the period (9+11)	701	(149)	2,243	2,077	4,656
13	Paid-up equity share capital (Re. 1 each fully paid-up)	1,010	1,010	1,010	1,010	1,010
14	Other equity				7,119	5,042
					.,=25	-,=
15	Earnings per share	Not Annualised	Not Annualised	Not Annualised	Annualised	Annualised
	-Basic	0.35	(0.15)	2.04	1.36	3.90
	-Diluted	0.35	(0.15)	2.04	1.36	3.90
			. ,			

ance sheet as at March 31, 2024		(Rs. in lakhs)
Particulars	As at	As at
	March 31, 2024	March 31, 2023
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	573	586
Capital work-in-progress	-	16
Right-of-use assets	878	1,054
Other intangible assets	38	16
Financial assets		
Other financial assets	81	88
Deferred tax assets	994	1,684
Income tax assets (net)	81	45
Other non-current assets	31	25
Total non-current assets	2,676	3,514
Current assets		
Inventories	10,625	9,588
Financial Assets	,	,
Trade receivables	5,114	5,237
Cash and cash equivalents	391	128
Bank balances other than "cash and cash equivalents"	2	2
Other financial assets	25	10
Other current assets	1,285	953
Total current assets	17,442	15,918
TOTAL ASSETS	20,118	19,432
	20,118	19,432
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,010	1,010
Other equity	7,119	5,042
Total equity	8,129	6,052
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	182	167
Lease-liabilities	788	960
Provisions	1,587	1,428
Total non-current liabilities	2,557_	2,555
Current liabilities		
Financial Liabilities		
Borrowings	-	2,297
Lease-liabilities	195	174
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	726	508
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,468	6,094
Other financial liabilities	837	690
Other current liabilities	382	515
Provisions	824	547
Total current liabilities	9,432	10,825
TOTAL LIABILITIES	11,989	13,380
TOTAL FOLITY AND LIABILITIES		
TOTAL EQUITY AND LIABILITIES	20,118	19,432

	•		(Rs. in lakhs)
Part	cicular <u>s</u>	Year ended March 31, 2024	Year ended March 31, 2023
		Audited	Audited
Α	CASH FLOW FROM OPERATING ACTIVITIES Profit before tax	2,776	2,967
	Adjustments for:	2,,,,	2,507
	Interest income	(16)	(7)
	Liabilities/provisions no longer required written back Finance costs	- 383	(2) 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 assets	(4.007)	(4.004)
	Inventories Trade receivables	(1,037) 233	(4,231) (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) Other liabilities (Current)	159 (133)	565 101
	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
В	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)
С	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from issuance of non cumulative non convertible preference shares	-	250
	Repayment of non cumulative non convertible preference shares	- (2.207)	(250)
	Net proceeds / (repayment) from borrowings (Current) Repayment of lease liabilities and Interest	(2,297) (278)	(79) (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
		391	128
	Cash and cash equivalents at the end of the year		
	Note:		
	Component of cash and cash equivalents:  Balances with Banks		
	-In current accounts	390	125
	Cheques, drafts on hand	-	2
	Cash on hand	1 201	1 120
	Cash in cash equivalents in Statement Cash Flows	<u>391</u>	128

<sup>#</sup> Amount is below rounding off threshold adopted by the Company

#### NOTES TO AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

- 1 The above financial results have been prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 28, 2024. The Statutory auditors of the Company have carried out the review of the above financial results for the quarter ended March 31, 2024.
- 2 The above financial results has been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standards 34 (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time.
- (i) 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.

(ii) 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 3 (i) above, 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).

Based on above, 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 and the use of going concern assumption has been considered appropriate by the Management in preparation of the above financial results of the Company.

- 4 The Company is primarily in the business of manufacturing and trading of watches and rendering of related after sales service. The other activities of the Company comprises of providing information & technology support services to the group companies. The Managing Director of the Company, who has been identified as the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocates 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.
- **5** As the Company opted for lower corporate tax rate as provided under section 115BAA of the Income-tax Act, 1961 from financial year 2019-20, the Company is not required to pay minimum alternate tax (MAT). In view of the available carried forward unabsorbed depreciation, the management has estimated that no current tax expense is required to be recognised during the quarter and year ended March 31, 2024.
  - 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 results for the quarter and year ended March 31, 2023 as it is considered probable that future taxable profits will be available.
- **6** The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7 The figures of the quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to the nine months ended December 31, 2023.

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

Place : Noida

Deepak Chhabra

Date : May 28, 2024

Managing Director

# TIMEXGROUP

Timex Group India Limited Unit No 303, 3rd Floor, Tower B, World Trade Tower (WTT), C-1, Sector-16, Noida - 201301, Uttar Pradesh, INDIA CIN: L33301DL1988PLC033434

Tel.: +91 120 474 1300 Fax: +91 120 474 1440 Website: www.timexindia.com E-mail: feedback@timexindia.com

May 28, 2024

The Secretary BSE Limited PJ Towers, Rotunda Bldg., Dalal Street, Fort Mumbai 400 001

Scrip Code: 500414

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to the provisions of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, on "Disclosure of the Impact of Audit Qualification by Listed Entities", we hereby confirm and declare that M/s Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W - 100018), the Statutory Auditors of the Company have issued the Audit Report with unmodified opinion with respect to Audited Financial Results of the Company for the year ended on 31st March 2024.

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Thanking you,

For Timex Group India Limited

Chief Financial Officer

Regd. Office: E-10, Lower Ground Floor, Lajpat Nagar - III, New Delhi - 110024. Tel.: +91 11 410 21297