

FIFTY FIRST ANNUAL REPORT 2025



SUNDARAM BRAKE LININGS LIMITED



BOARD OF DIRECTORS

Sandhya Subramanyam – Director
Shobhana Ramachandran – Director
Shripriya Mahesh Ramanan – Director
S Venkataraman – Director
M.C.T.P. Chidambaram – Director – Appointed w.e.f. 28.05.2024
Krishna Mahesh - **Managing Director (KMP)**
K S D Sambasivam – Director – Retiered w.e.f. 31.07.2024

BOARD'S SUB-COMMITTEES

1. AUDIT COMMITTEE

K S D Sambasivam - Retiered w.e.f. 31.07.2024
S. Venkataraman
Sandhya Subramanyam – Chairperson
M.C.T.P. Chidambaram - Appointed w.e.f. 01.08.2024

2. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Shripriya Mahesh Ramanan
Krishna Mahesh - Chairman
S. Venkataraman - Appointed w.e.f. 28.05.2024

3. NOMINATION & REMUNERATION COMMITTEE

Sandhya Subramanyam
Shobhana Ramachandran
M.C.T.P. Chidambaram-Chairman Appointed w.e.f. 01.08.2024
K S D Sambasivam - Retiered w.e.f. 31.07.2024

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Sandhya Subramanyam
Krishna Mahesh
S. Venkataraman - Chairman Appointed w.e.f. 01.08.2024
K S D Sambasivam - Retiered w.e.f. 31.07.2024

SENIOR MANAGEMENT

S Balaji - President
V Srinivasan - Chief Financial Officer (KMP)
J R Vishnu Varthan-Company Secretary & Compliance Officer (KMP)

STATUTORY AUDITORS

M/s BRAHMAYYA & Co.,
Chartered Accountants
48, Masilamani Road, Balaji Nagar,
Royapettah,
Chennai 600 014
E-mail id: mail@brahmayya.com
Phone No: 044-28131128

BANKERS

1. STATE BANK OF INDIA
Corporate Accounts Group (CAG) Branch
Chennai - 600 008
2. STANDARD CHARTERED BANK
No. 1, Haddows Road, Chennai - 600 006

SECRETARIAL AUDITOR

V Suresh - Senior Partner
V Suresh Associates
Practising Company Secretaries
28, 1st Floor, Ganapathy Colony
3rd Street, Teynampet
Chennai - 600 018
E-mail id: vsassociates16@gmail.com
Phone No: 044-42111701

REGISTERED OFFICE

Padi, Chennai 600 050

FACTORIES

1. Padi, Chennai 600 050
Phone Nos. 044-26257853
E-Mail : sbl@tvssbl.com
2. TSK Puram - Plant I & II
Mustakurichi Post
Virudhunagar District
Pin code 626 106
Phone Nos. 04566 - 250290 to 250295
E-Mail : tskp@tvssbl.com; tskp2@tvssbl.com
3. Plant 4 & 5 - Mahindra World City (SEZ)
NathamSub-Post, Chengalpet
Kancheepuram District
Pin code 603 004
Phone No. 044 - 47490005
E-Mail : plant4@tvssbl.com; plant5@tvssbl.com

SHARE DEPARTMENT

At Factory Office
Padi, Chennai - 600 050
Phone No. 044-26257853
E-Mail: vishnu@tvssbl.com

REGISTRAR & TRANSFER AGENT

Integrated Registry Management Services
Private Limited
II Floor, "Kences Towers"
No. 1, Ramakrishna Street
North Usman Road, T Nagar,
Chennai-17
Phone: 91-44-2814801 - 808
E-mail: corpseerv@integratedindia.in

WEBSITE:

www.tvssbrakelinings.com

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HIGHLIGHTS OF TEN YEARS' PERFORMANCE

₹ in lacs

Particulars		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
1	Sales & Other income #	24,627	24,681	25,381	28,887	26,322	23,813	29,840	35,760	35,564	35,503
2	Export Sales	11,213	10,390	10,023	12,176	12,320	9,958	11,756	11,602	13,151	14,720
3	Profit before extraordinary / exceptional item, Interest, Depreciation and Tax	875	937	995	1,309	995	879	567	443	2,129	1,614
4	Profit before extraordinary / exceptional item and Tax	31	143	376	649	300	210	-213	-540	1,154	614
5	Profit after tax	-41	176	376	705	252	600	8	-478	1,009	517
6	Net fixed assets	7,440	7,101	6,751	6,700	7,089	6,954	6,964	6,847	6,860	7,017
7	Share capital	393.46	393.46	393.46	393.46	393.46	393.46	393.46	393.46	393.46	393.46
8	Reserves & Surplus	6,551	6,703	7,072	7,805	8,003	8,624	8,670	8,148	9,112	9,542
9	Net worth	6,944	7,097	7,466	8,198	8,397	9,017	9,063	8,541	9,506	9,935
10	Return on Net Worth (RONW) - PAT/Networth	-0.6%	2.5%	5.0%	8.6%	3.6%	6.7%	0.1%	-5.6%	10.6%	5.2%
11	Return on Average Capital Employed (ROCE)	3.6%	4.6%	5.9%	8.1%	4.4%	3.0%	1.9%	-1.7%	14.2%	9.1%
12	Cash earnings per share (₹)	13.05	18.14	20.51	30.50	20.19	29.55	15.43	3.37	41.88	28.31
13	Earnings per share (₹)	(1.04)	4.47	9.57	17.93	6.40	15.25	0.20	(12.15)	25.65	13.15
14	Dividend per share (₹)	-	-	-	-	-	-	-	-	2.00	1.50
15	Book value per share (₹) *	176.50	180.37	189.74	208.37	213.41	229.18	230.34	217.07	241.60	252.51
16	Sundry Debtors - No. of days	78	64	70	72	68	92	73	64	66	83
17	Turnover/Avg Inventory (Times)	8.4	8.2	7.9	8.0	6.8	6.6	7.1	6.8	7.3	7.4
18	Current Ratio	1.05	1.22	1.34	1.33	1.42	1.35	1.28	1.24	1.35	1.31
19	R & D Expenses - as % on Net Income	2.6%	3.4%	4.0%	3.4%	4.6%	3.0%	2.4%	2.3%	1.7%	1.9%
20	Debt-Equity Ratio [(Total debts) / (Debt+ Networth)]	0.39	0.32	0.29	0.29	0.22	0.25	0.31	0.37	0.32	0.36

Includes Excise duty for the FY's from 2015-16 to Q1 of 2017-18

* Calculated on the expanded Capital of 39,34,575 equity shares for the FY's 2014-15 to 2023-24

Note: Figures in respect of FY 2014-15 are as per Indian GAAP and that of FY's from 2015-16 to 2023-24 are as per Indian Accounting Standards (Ind-AS).

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Fifty First Annual General Meeting of the Company will be held on Thursday, **24th July 2025 at 04.45 P.M IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2025, the Statement of Profit and Loss for the year ended 31st March 2025, the Cash Flow statement for the year ended 31st March 2025 and Notes forming part of the documents referred above and the Report of the Directors and the Auditors of the Company thereon, be and are hereby approved and adopted."

2. **To declare Dividend**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend of Rs. 1.5 (Rupees One and Fifty paise only) per share (15%) for the year ended 31st March, 2025 on 39,34,575 equity shares of Rs.10 each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for payment to the members of the Company whose names appear in the Register of Members as at the close of business hours on 17th July, 2025."

3. **To re-appoint Ms. Shobhana Ramachandran (DIN: 00273837) as Director, liable to retire by rotation, and being eligible, offers herself for re-appointment.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. Shobhana Ramachandran (DIN: 00273837), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS

4. **To appoint M/s. V. Suresh Associates as Secretarial Auditor of the Company**

To consider and if thought fit, to pass the following Resolution as Ordinary Resolution with or without modification:

"RESOLVED THAT pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation

24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any (including any statutory modifications, amendments, or re-enactments thereof), and subject to the approval of the shareholders in the upcoming Annual General Meeting, the consent of the Board be and is hereby accorded for the appointment of M/s. V. Suresh Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company for a period of five financial years commencing from the financial year 2025–26 to 2029–30 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

RESOLVED FURTHER THAT Mr. Krishna Mahesh, Managing Director, Mr. V. Srinivasan, Chief Financial Officer and Company Secretary of the Company be and are severally hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution.”

(By order of the Board)

J. R. VISHNU VARTHAN
Company Secretary

Place: Chennai
Date: 25th May, 2025

Registered Office
Padi, Chennai - 600 050

General Instructions & Information:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The 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 the 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.tvbrakelinings.com/sebi-24-25.php>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time
8. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment at this AGM is annexed.

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9. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to vsassociates16@gmail.com with a copy marked to evoting@nsdl.co.in
 10. In compliance with the MCA Circulars, Notice of the 51st AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories as on **Friday, 27th June, 2025**.
 11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 12. The register of members and the share transfer register will remain closed for a period of seven days from **18th July 2025 to 24th July 2025 (both days inclusive)** for the purpose of AGM.
 13. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of members, with effect from 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at rates prescribed in Income-Tax Act, 1961 (the "IT Act"). In general, to enable the compliance with TDS requirements, members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act, with their Depository Participants or in case shares are held in physical form, with the Company or Registrar and Transfer Agent (RTA), by sending email to kalyan@integrated.co.in.

For Resident Shareholders the Tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @10% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2025-26 provided a valid PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @20% as per Section 206AA of the Income-tax Act, 1961.

For Resident Individual the TDS shall not be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2025-26 does not exceed Rs.5,000/-. Please note that this includes the future dividends, if any, which may be declared by the Board in the FY 2025-26. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. PAN is mandatory. To avail the benefit of non-deduction of tax at source, members may send the form 15G/ 15H by an email to sblagm@tvssbl.com latest by 5.00 P.M. (IST), 16th July, 2025.

Non-resident members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, with proper attestation and duly signed and filled-in all respects, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to sblagm@tvssbl.com. The aforesaid declarations and documents need to be submitted by the members latest by 5.00 P.M. (IST), 16th July, 2025.

In case shares are held by Clearing Member / Intermediaries / Stock Brokers on behalf of the beneficial owners, TDS on dividend will be deducted in the hands of beneficial owner as per the provisions of Rule 37BA(2) of Income Tax Rules, 1962, provided the Clearing Member / Intermediaries / Stock Brokers provides a declaration along with detailed list of beneficiaries to the Company on or before 17th July, 2025 (Record date), to enable the Company to process the dividend and TDS accordingly.

Declaration received after the Record date will not be considered for claiming benefits under Rule 37BA (2) of the Income Tax Rules, 1962

14. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members holding shares in electronic form are requested to advise change of their address to their Depository Participants. Members are also advised not to leave their demat account(s) dormant for a long period. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant of securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company.
16. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form.
18. Members, holding shares in physical form, are requested to notify / send the following to the Registrar and Share Transfer Agent (Integrated Registry Management Services Private Limited) of the Company: -
 - a) Any change in their address / bank mandate.
 - b) Particulars of their bank account, in case they have not been sent earlier.
19. In terms of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 ("the Rules"), the Company is required to transfer the shares, in respect of which the dividend remains unpaid or unclaimed for a period of seven consequent years to the IEPF account established by the Central Government. There are no shares in respect of which the dividend remains unpaid or unclaimed for a period of seven consequent years.

Any person whose shares have been transferred to the Fund, may claim the shares from the authority by submitting an online Application form IEPF-5 available on the website www.mca.gov.in and after making an application in form IEPF-5, send the same duly signed along with requisite documents to the Company for verification of the claim.
20. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice. Members holding shares either in physical form or in dematerialized form, as on **Thursday, 17th July, 2025 i.e. cut-off date**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

Those Members, who are present in the AGM through VC / OAVM facility and 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 e-Voting system during the AGM.

21. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
22. The Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off date **Thursday, 17th July, 2025**. Members, whose names appear on the Register of Members / List of Beneficial Owners as on Cut-off date i.e **Thursday, 17th July, 2025** will be considered for the purpose of availing Remote e-Voting or e-Voting at the Annual General Meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
23. The board has appointed Mr. V. Suresh, (Partner, V. Suresh Associates, Practising Company Secretaries) holding certificate of practice (CP No.6032) issued by the Institute of Company Secretaries of India (ICSI) as the Scrutinizer (ID: SURESH) to Scrutinize the e-Voting process in a fair and transparent manner.
24. The Scrutiniser shall, immediately after the conclusion of voting at annual general meeting, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall, within 2 working days of conclusion of the meeting, submit his report to the Chairman / Managing Director / Chief Financial Officer /Company Secretary of the Company.
25. The voting results of the Annual General Meeting will be declared and communicated to the Stock Exchanges and would also be displayed on the Company's website at **www.tvstrakelinings.com** and will also be available in website of NSDL **www.evoting.nsdl.com**.

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

The remote e-voting period begins on Monday, 21st July, 2025 at 09:00 A.M. and ends on Wednesday, 23rd July, 2025 at 05:00 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. Thursday, 17th July, 2025, 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 Thursday, 17th July, 2025.

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"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 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. 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 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.

Type of shareholders	Login Method
	<p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </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. 1800-21-09911.

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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. 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.

4. 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***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

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- b) 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.
 - c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) 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.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in 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 vsassociates16@gmail.com 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 / Authority Letter" displayed 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 "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.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.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle 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 kalyan@integratedindia.in.
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 kalyan@integratedindia.in. 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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.
5. 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 sblagm@tvssbl.com from 14th July, 2025 (9:00 a.m. IST) to 16th July, 2025 (5:00 p.m. IST). 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Resolution No. 4

M/s V Suresh Associates, Practising Company Secretaries (VSA) is a registered partnership firm extensive experience of more than 20 years in providing Secretarial and legal services. They are the Secretarial Auditors of our company ever since the applicability of Sec 204(1) of the Companies Act, 2013, (01.04.2014) to our company, which mandates Secretarial audit. M/s V Suresh Associates holds a peer review certificate (Certificate No. 6366/2025) valid up to 31.01.2030 issued by the Peer Review Board of Institute of Company Secretaries of India.

After assessing various factors such as industry experience, independence, etc., based on the recommendation of the Audit Committee, at its meeting held on 25th May, 2025, the Board of Directors of the Company has proposed the appointment of V Suresh Associates, Company Secretaries, peer reviewed firm as the Secretarial Auditors of the Company, for a period of five consecutive years i.e. FY 2025-26 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

VSA have consented to their appointment as Secretarial Auditors and has confirmed that their appointment will be in accordance with Section 204 of Act, read with SEBI LODR and has given a requisite declaration that they are eligible to be appointed and not disqualified or debarred by any regulatory authorities.

The remuneration paid to VSA for the FY 2024-25 was Rs.1,25,000/- excluding taxes and reimbursement of out-of-pocket expenses for carrying out Secretarial Audit for the FY 2024-25. The remuneration approved for the FY 2025 - 26 is Rs. 1,25,000/- (Rupees One Lakh and Twenty Five Thousand Only) excluding taxes and reimbursement of out-of-pocket expenses for carrying out Secretarial Audit for the FY 2025 –26 and for rest of the years of appointment term, as may be recommended by the Audit Committee and approved by the Board of Directors.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED TO BE FURNISHED UNDER CLAUSE 1.2.5 OF THE (SS - 2) SECRETARIAL STANDARD ON GENERAL MEETINGS / REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Resolution 3:

Name	Ms. Shobhana Ramachandhran
Age	63 years
DIN	00273837
Qualification	Post Graduate in English Literature
Experience and other details	<p>She is associated with TVS Srichakra Limited since 1986 and is the Managing Director of the same.</p> <p>She has rich experience in the Tyre and Rubber Industry and holds Directorship in public and private companies, encompassing various sectors of automotive, financial, logistics and auto component distributorship.</p>
Current remuneration (last drawn remuneration)	Nil
Details of remuneration sought to be paid	Nil
Date of first appointment on the Board	12 th Feb, 2020
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Cousin of Mr. Krishna Mahesh, Managing Director and Ms. Shripriya Mahesh Ramanan, Director
Number of meetings of the Board attended during the year	Financial Year 2024-2025; 3 out of 4 Meetings

SUNDARAM BRAKE LININGS LIMITED

Other Directorships, Memberships / Chairmanship of Committees of other Boards	Directorship	Committee Membership
	TVS Supply Chain Solutions Limited TVS Srichakra Investments Private Limited Pusam Rubber Products Private Limited SI Air Springs Private Limited TVS Automobile Solutions Private Limited TVS Argomm Private Limited Sundaram Industries Private Limited Sundaram Finance Holdings Limited	Nil
	Sundaram Finance Limited	Audit Committee – Member Corporate Social Responsibility Committee – Chairperson
	TVS Srichakra Limited-Managing Director	Stakeholders Relationship Committee – Member Corporate Social Responsibility Committee – Chairperson
Nature of expertise in specific functional area	Overall Business Expertise in Automobile Industry	
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	Nil	

BOARD'S REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Fifty First Annual Report of the Company together with Audited Accounts for the year ended 31st March 2025.

FINANCIAL RESULTS:

The financial performance of your company is stated hereunder: (₹ In Lakhs)

Particulars	2024-25	2023-24
Revenue from Operations	35,221.30	35,235.87
Profit before exceptional item, interest, depreciation and tax	1,613.75	2,129.26
Less : Interest	402.89	336.40
Profit before exceptional item, depreciation and tax	1,210.86	1,792.86
Less : Depreciation	596.76	638.37
Profit / (Loss) before tax and exceptional items	614.10	1,154.49
Add : Exceptional item	-	-
Profit before tax	614.10	1,154.49
Less : Provision for Taxation		
Current Tax	102.51	198.67
Prior Period Tax	9.65	(19.65)
Deferred Tax Liability / (Asset) (net)	(15.34)	(33.89)
Profit after tax	517.28	1,009.36
Add : Surplus / (Deficit) brought forward	2,562.00	1,597.12
Less: Transfer to Other Comprehensive Income	(9.24)	(44.48)
Less: Dividend distributed to Shareholder	(78.69)	-
Surplus Carried over	2,991.35	2562.00

DIVIDEND:

Your Directors recommend a final dividend of ₹ 1.5 (15%) per fully paid up equity share of the face value of ₹ 10 per share. Payment of Dividend is subject to the approval of Shareholders at the ensuing Annual General Meeting.

Your Directors do not propose to transfer any amount to reserves for the FY ended 31st March, 2025, as it is not mandatorily required.

AUTOMOBILE INDUSTRY SCENARIO-2024-25

The Indian Automotive Industry produced nearly 31 Million vehicles and grew 9.1% while medium and heavy commercial vehicle production remained flat with only 0.5% growth and around 0.39 million vehicles produced.

SBL'S SALES PERFORMANCE

Your Company's net sales during the year 2024-25 was ₹ 34,916 lakhs as compared to the previous year ₹ 34,960 lakhs. While your Company increased export revenue by nearly 12%, there was a decrease of slightly over 7% in domestic sales. The composites business has benefitted from your company's ability to invest in its nascent growth and does not yet contribute meaningfully to the overall sales of your company.

DOMESTIC:

Your company's decrease in turnover results mainly from the domestic OEM segment (14.6%) and is largely driven by general election effects and tail-end spending infrastructure spending in 2024-25. In the independent aftermarket there was an increase of 8.9% from the last financial year but your Company's additional channel of directly served large stockist grew to ₹ 2,002 lakhs from ₹ 1,766 lakhs in 2024-25 and is expected to grow substantially in the coming years. Your Company is taking actions to increase its sales to both wholesale distributors (who serve small retailers) and direct to large stockists and thus better serves the domestic independent aftermarket mechanics and fleets.

EXPORTS:

Export sales registered a growth of 11.93%. Your Company's primary North American export markets showed strong growth that is expected to continue and strengthen in FY 2025-26. Supply chain threats due to disruptions in Red sea or straits of Mallaca can affect both raw material receipt and customer deliveries and your Company is taking measures to reduce the impact of emergent situations and minimize customer impact. Your Company has successfully introduced premium copper free commercial vehicle brake pads in North America and is seeing good market acceptance and adoption. Your company has also introduced Commercial Vehicle lined shoe assembly for customers in North America & Australia. We remain alert to the trade landscape and tariff impacts.

Net foreign exchange earned by your company in the year under review was Rs. 14,464 lakhs as against Rs. 12,867 lakhs in 2024-25.

OUTLOOK FOR 2025-26

The consensus is that the Indian Economy will grow broadly in line with last year's rate and any electoral impact will be transient and overshadowed by state transport fleet upgradation.

Macroeconomic indicators, announced Government investment intent, and vehicle manufacturers sentiment are positive and the Indian automotive industry is expected to continue its growth path in the coming years. The medium and heavy commercial vehicle sales growth is expected to sustain and will prove favorable to your company's positioning as the preferred supplier of OE friction.

The reciprocal tariff imposed in the US created a temporary lull in business activity as enterprises attempted to understand the contours of the changing landscape and navigate the uncertainty created by the changing rates. Your company has, however, taken actions to mitigate the same, by engaging with customers and setting expectations, expanding business across other countries, and launching novel products to mitigate long-term impacts.

Your company is also aggressively expanding its range and presence in the Indian aftermarket which is expected to fuel growth in 2025-26 and beyond.

Your company has also started developing niche Industrial and Railway friction products which have received initial customer approvals and bulk commercial production will start by 4th Quarter of FY 2025-26

Composite sales are expected to have a meaningful impact in this financial year as long lead-time products in automotive and aviation begin to bear fruit.

RESEARCH AND DEVELOPMENT:

Your company's R&D facility located in Padi continues to be recognized as an approved R&D unit by the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India, New Delhi, and the recognition is valid up to 31.03.2027.

During the year under review, the focus of the department was on increasing range in CV & PV pads, capacity and efficiency in CV linings, and new product development in the domestic EV market and export industrial and railway friction. Energy cost optimization efforts continued in the year under review and will be accelerated in the coming year.

The total expenditure for R&D incurred in 2024-25 was ₹ 661.89 lakhs as against Rs. 619.93 lakhs in the previous year.

SHARE CAPITAL

During the year under review, your company has not issued any type of Shares. Hence there is no change in the share capital of the company.

DEPOSITORY SYSTEM

Your Company's shares are in compulsorily tradable securities in electronic form. As on 31st March 2025, Equity Shares 38,68,586 representing 98.32% of the paid-up share are in dematerialised form and Equity Shares 65,989 representing 1.68% of the paid-up share are in physical form.

TRANSFERS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven consecutive years from the date of transfer of such amount to unpaid dividend account. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority.

During this year, no shares / Dividends amounts were liable to be transferred to the IEPF authority. Further, Members/ claimants whose shares, and / or unclaimed dividend which have been transferred pertaining to the earlier financial years to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund of dividend by making an application to the IEPF Authority in Form IEPF-5 (available on [http:// www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fee as decided by the IEPF Authority from time to time.

PUBLIC DEPOSITS

Your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

CASH FLOW STATEMENT

In compliance with the provisions of Section 134 of Companies Act, 2013 and Regulation 34(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cash flow statement for the financial year ended 31st March, 2025 forms part of this Annual Report.

BOARD MEETINGS

The Board of Directors met 4 (four) times during the financial year ended 31st March, 2025 i.e., 28th May, 2024, 09th August, 2024, 11th November, 2024 and 11th February, 2025. The gap between the Board meetings was within the maximum period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended and notified from time to time. Detailed statement of attendance of directors at the Board Meetings and other meeting of all Committees held during the financial year ended 31st March, 2025 are given in the Corporate Governance report which is forming part of this Annual Report.

PASSING OF RESOLUTION BY CIRCULATION

The Company resorts to circular resolutions only in exceptional or urgent circumstances. All such resolutions are duly recorded and ratified at the subsequent meetings of the Board or the respective Committees. During the financial year 2024–25, the Board of Directors passed three circular resolutions, all of which were taken on record in the following Board meeting.

BOARD OF DIRECTORS

As on March 31, 2025, your Board comprises of six (6) Directors with an optimum combination of Executive and Non-Executive Directors. Out of six (6), three (3) are Independent Directors including an Independent Woman Director, two (2) Non-Executive Non-Independent Directors and an Executive Director of the Company.

CHANGE IN DIRECTORS - APPOINTMENT, CHANGE IN DESIGNATION AND RESIGNATION

1. Mr. KSD Sambasivam, Non Executive Independent Director retired on 31st July, 2024. He was a member of the Audit Committee, Nomination Remuneration Committee, Chairman of Stakeholders Relationship Committee.
2. Mr. M.C.T.P. Chidambaram was appointed as the Independent Director in the Board meeting held on 28th May 2024. His appointment was further approved by the Shareholders in the 50th AGM of the Company held on 24th July 2024.

RETIREMENT BY ROTATION AND RE-APPOINTMENT

Pursuant to Section 152(6)(c) of Companies Act, 2013, during the financial year, Ms. Shripriya Mahesh Ramanan, Non-Executive Non Independent Director of the Company, being liable to retire by rotation, retired by rotation at the 50th Annual General Meeting of the Company held on 24th July, 2024 and being eligible, was re-appointed.

Further, Pursuant to Section 152(6)(c) of Companies Act, 2013, Ms. Shobhana Ramachandran, Non-Executive Non Independent Director of the Company who retires by rotation and being eligible for re-appointment, offers herself for re-appointment as a Director of the Company and the same is being placed before the 51st Annual General Meeting for approval of shareholders of the Company.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 2(51) and 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2025, are as follows:

Mr. Krishna Mahesh, Managing Director

Mr. V Srinivasan, Chief Financial Officer

Mr. J R Vishnu Varthan, Company Secretary & Compliance Officer

CHANGE IN KEY MANAGERIAL PERSONNEL

During the financial year ended 31st March, 2025, Mr. Y Sathyan, Company Secretary and Compliance Officer of the Company resigned with effect from 28th May, 2024. Mr. J. R. Vishnu Varthan who is a qualified Company Secretary was appointed as the Company Secretary and Compliance Officer of the Company with effect from 29th May, 2024.

AUDIT COMMITTEE

Pursuant to Section 177(8) of Companies Act, 2013, the Company had constituted an Audit Committee. The particulars of composition of the Audit Committee, meetings held during the year and other particulars have been detailed in the Corporate Governance Report forming part of this Annual Report.

DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The Audit Committee generally makes certain recommendations to the Board of Directors of the Company during their meetings held to consider any financial results (Unaudited and Audited) and such other matters placed before the Audit Committee as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time. During the year the Board of Directors has considered all the recommendations made by the Audit Committee and has accepted and carried on the recommendations suggested by the Committee to its satisfaction. Hence there are no recommendations which were unaccepted by the Board of Directors of the Company during the year under review.

MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule - V thereof, the Management Discussion and Analysis report has been annexed to the Board's Report as **ANNEXURE - V** and forms a part of the Annual Report.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received declarations from all the Independent Directors who are occupying the Board as on the end of financial year 2024-25 confirming that they continue to meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 & 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made under there at. The format of the said Disclosure is given as **ANNEXURE - IV** which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The Company believes that a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, the Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on Director's appointment, remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The key highlights of the policy forms part of this Report. The entire Nomination and Remuneration Policy may be accessed on the Company's website at <https://www.tvbrakelinings.com/sebi.php>

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy establishing vigil mechanism to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of Vigil mechanism is available on the Company's website <https://www.tvbrakelinings.com/images/assets/pdf/SEBI/Vigl%20Mechanism-Whistle%20Blower%20Policy.pdf>. No complaint has been received from any employee since inception of the vigil mechanism.

MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year 2024-25 of the Company to which the financial statements relate and date of the report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sections 134(3) (c) and 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31st March, 2025 the Board of Directors hereby confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures wherever applicable;
- i. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2025 and of the Profit/Loss of your Company for the year ended on that date.

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- ii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
 - iii. that they had prepared the annual accounts on a going concern basis;
 - iv. the Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively and
 - v. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES / JV AND INFORMATION ABOUT SUBSIDIARY / JV / ASSOCIATE COMPANY

There are no Subsidiary or Associate Company or JV companies and hence these disclosures are not applicable.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2025 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at

<https://www.tvstrakelinings.com/sebi-24-25.php>

STATUTORY AUDITORS

The Annual Accounts of the Company including its Balance Sheet, Statement of Profit and Loss and Cash Flow Statement including the Notes and Schedules to the Accounts have been audited by M/s. Brahmayya & Co, Chartered Accountants, Chennai. The Independent Auditors' Report given by the Auditors on the financial statements of the Company is forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report which requires any explanation / comments by the Board.

SECRETARIAL AUDITORS

Pursuant to the Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. V. Suresh Associates, Practicing Company Secretaries, Chennai as the Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report for the Financial Year 2024-25 does not contain any adverse remark, qualification or reservation or disclaimer which requires any explanation / comments by the Board. The Secretarial Audit Report is forming part of this Annual Report.

M/s. V. Suresh Associates, Practicing Company Secretaries, Chennai has been proposed to be appointed by the Shareholders as the Secretarial Auditor of the Company for the period of 5 years from the FY 2025-2026 to 2029-2030 at the meeting of Board of Directors held on 25th May, 2025. The Company had received required declarations/ consents from the Secretarial Auditors confirming that they have been Peer Reviewed and are eligible to be appointed as Secretarial Auditors.

INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014 and all other applicable provisions (including any amendment thereto) if any of the Companies Act, 2013, M/s. Sundaram and Srinivasan, Chartered Accountants, Chennai are the Internal Auditors of the Company. They have been carrying out their Audit as per the Plan submitted to and approved by Audit Committee.

The Audit conducted by the Internal Auditors is based on an internal audit plan, which is reviewed each quarter in consultation with the Audit Committee. These audits are based on risk based methodology and inter alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Auditors share their findings on an ongoing basis during the financial year for corrective action. The Audit Committee oversees the work of Internal Auditors.

COST AUDIT

Cost Audit is not applicable to the Company from the Financial Year 2014-15 based on the amended Companies (Cost Audit & Record) Rules 2014 dated 31st December 2014 issued by the Ministry of Corporate Affairs, Govt. of India.

QUALIFICATIONS IN AUDIT REPORTS

There are no qualifications in Statutory Auditors' Report and in Secretarial Auditors' Report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The auditors of the Company have stated that during the course of their audit, there were no material fraud by the Company or on the Company by its officers or employees noticed or reported in Independent Auditors' Report which forms part of this Report. Hence, no requirement arises to report the same to Audit Committee or Board of Directors of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the Financial Year 2024-25, your Company has complied with applicable Secretarial Standards, namely SS-1 & SS-2 issued by the Institute of Company Secretaries of India.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

a) **Energy conservation measures taken during 2024-25:**

- Replacing plant-scale furnace oil fired thermopacs with individual electrically powered mould heating to proactively address rising energy prices and emissions. These improvements are being replicated at all of our factories.
- Resizing air compressors to reduce power consumption.

-
- Initiative taken to reducing the sizes of the Dust control unit thereby reducing the power consumption.
 - Improving heat insulation in Curing presses across all the plants.
 - Redesign of layout, regrouping and resizing machines to reduce the power & manpower requirements is continuing.
 - In the financial year 2024-25, the Company has sourced 66% of its energy requirement through procurement of Renewable Energy (Wind & Solar)

(b) Impact of the above measures:

The measures taken above have helped in reducing fuel cost for the machines where it has been implemented and will reduce the overall energy cost for SBL, in the years to come. Steps are being taken to source more than 75% of the energy requirement through procurement of Renewable Energy (Wind & Solar).

B. TECHNOLOGY ABSORPTION

Research & Development (R&D)

(1) Specific areas in which R&D carried out by the company

- Benchmarked and developed Drum Brake Linings for Medium & Heavy Commercial Vehicle applications for Domestic Aftermarket.
- Developed Drum Brake Linings for Heavy Duty Defence Vehicle OEM applications
- Developed two-wheeler disc pads for Domestic Aftermarket
- Developed disc pads for All-wheel-disc brake MCV OEM bus and truck applications
- Developed disc pads for EV bus (noise sensitive) OEM applications
- Developed copper-free (N-level pads for Heavy Commercial Vehicle Export application to meet Regulatory requirements
- Developed rubber-based CV linings for special export applications
- Developed high-copper woven clutch facings for Domestic aftermarket premium applications
- Developed friction pads for industrial and railway applications for export
- Developed body parts in carbon fibre composite materials for export market two wheeler applications.
- Developed high strength and high wear resistant parts in FRP composite materials for industrial application.
- Developed FRP body parts for Domestic HCV application
- Developed structural parts in carbon Fiber composite material for domestic market Two wheeler application.

(2) Benefits derived as a result of the above

- Continued recognition of in-house R&D by Department of Scientific and Industrial Research (DSIR), Government of India
- Obtained approval and commercialized drum brake linings, disc pads and clutch facings for various OEM and Aftermarket applications

(3) Future Plan of action

- Development of Disc pads and Drum brake linings for various passenger and commercial vehicle applications in Domestic OEM, Aftermarket & Export Markets to meet Euro 7 regulations.
- Development of riveted disc pads (patent applied) that offer improved performance, better Total Cost of Ownership and sustainability for domestic and export markets
- Development of Woven Clutch Facings for commercial vehicle applications in Domestic OEM & Export Markets
- Development of specialized resins with improved thermal stability for various product applications
- Reduction in Raw material costs through yield improvement, process optimization, and development of alternative sources & materials.
- Improvement in process technology, in order to augment production capacity with minimum capital outlay.

(4) Expenditure on R&D

(₹ in Lakhs)

S. No	Particulars	Financial Year 2024-25
a	Capital	-
b	Revenue	661.89
c	Total	661.89
d	Total R & D expenses as % of total turnover	1.88%

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief, made towards technology absorption, adaptation and innovation

- Process optimization for Quality Improvement through Thermo Electric Heating System (TEHS)/ Electric Heating System (EHS) - each curing mould is closely controlled by individual heating system in place of centralized heating system.
- Process Cycle-time optimisation through detailed study of curing process
- Product and Process improvement by benchmarking the product against fellow global leaders
- Development of recycling process for waste re-use.

2. Benefits derived as a result of the above efforts

- Development of superior and competitive products for Export and Domestic markets
- Quality upgradation and optimal use of resources leading to savings
- Reduction in pollution, improving sustainability of environment

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lakhs)

S. No.	Particulars	Financial Year	
		2024-25	2023-24
A	Foreign Exchange earned	14,464.01	12,867.35
B	Foreign Exchange used	3,916.15	3,985.26
C	Net Foreign Exchange earned (A-B)	10,547.86	8,882.09

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year 2024-25, there have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

REPORT AS PER SECTION 134 READ WITH RULE 8 AND SUB RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014

Change in nature of business, if any: Nil

Name of Companies which have become or ceased to be its subsidiaries, Joint Ventures or associate companies during the year: Not Applicable

INTERNAL CONTROL AND SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system which is commensurate with the size, scale and complexity of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and there by strengthen the controls. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Independent Auditors' Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year, the Company has not given any loan (Secured or Unsecured) or guarantees covered under the provision of Section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements, which form part of this Annual Report.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company firmly provides a safe, supportive and friendly workplace environment - a workplace where our values come to life through the underlying behaviours. Positive workplace environment and a great employee experience are integral parts of our culture.

No woman employee has been engaged by the Company. Hence the compliance under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 does not arise.

RISK MANAGEMENT AND POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has framed Risk Management Policy, which lays down the framework to define, assess, monitor and mitigate the business, operational, financial and other risks associated with the business of the Company.

All the risks associated with the business of the Company have been taken care of by taking adequate measures by the Company, which have been reviewed by the Audit committee and the Board in their meetings held from time to time.

The Company has been addressing risks impacting the Company in Management Discussion and Analysis Report which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the requirements of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of Directors have framed a policy on CSR as recommended by the CSR committee duly constituted and the said policy is available on the Company's website <https://www.tvbrakelinings.com/images/assets/pdf/SBL%20CSR%20Policy.pdf>

The composition and terms of reference of the CSR Committee are detailed in the Corporate Governance Report, which forms part of this Annual Report.

The disclosure on Corporate Social Responsibility initiatives during the financial year has been provided in **ANNEXURE - III** which forms part of this Annual Report.

RELATED PARTY TRANSACTIONS

During the financial year, all the related party transactions entered by the Company were ordinary business transactions in the ordinary course of business and on arm's length basis and there were no transactions requiring approval of the Shareholders. However, prior approval of the Audit Committee was sought for entering into the Related Party Transactions as required under Companies Act, 2013 read with rules made thereunder and Regulation 23 (2) of SEBI Listing Regulations, 2015. Further, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given are also placed before the Audit Committee for its review on a quarterly basis.

During FY 2024-25, there were no material related party transactions in terms of Regulation 23 of the SEBI Listing Regulations, 2015.

Form AOC-2 pursuant to Section 134 (2) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is set out in the **ANNEXURE - II** to the report.

The Company has adopted a policy on materiality of related party transactions and dealing with Related Party Transactions and the same is disclosed on the website of the Company, viz., <https://www.tvstrakelinings.com/images/assets/pdf/SEBI/Policy%20on%20dealing%20with%20related%20party%20transactions.pdf>

JUSTIFICATION FOR ENTERING INTO RELATED PARTY TRANSACTIONS

The Company's Related party transactions have been made to meet the requirements of operations and at an arm's length basis and have been entered in the ordinary course of business.

BOARD EVALUATION

In terms of Section 134 (3) (p) of the Companies Act, 2013 and Regulation 4(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board reviewed and evaluated its own performance from the following perspectives:

- Company Performance;
- Risk management;
- Corporate Ethics;
- Performance of the Individual Directors; and
- Performance of the Committees, viz., Audit Committee, Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility Committee & Stakeholders' Relationship Committee (SRC).

The Board has carried out an annual evaluation of its own performance, the directors and also Committees of the Board based on the guidelines formulated by the Nomination & Remuneration Committee under Self-evaluation method. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters considered during the evaluation process.

The Board, upon evaluation, considered that the Board is well balanced and diverse and is commensurate with the business profile and size of the Company.

The Board reviewed and noted with satisfaction of its own performance and that of its Committees and individual Directors.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the first proviso to Section 136 of the Act, these reports and accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary. The said information is available for inspection by the members at the Registered Office of the Company on any working day of the Company upto the date of 51st Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **ANNEXURE - I** and forms part of this Report.

COMPLIANCE WITH CODE OF CONDUCT

The Company has framed a Code of Conduct for the Board of Directors and Senior Management personnel of the Company. All the Board of Directors and Senior Management personnel have affirmed compliance with the Code of conduct as on 31st March, 2025. The Code of Conduct is available on the Company's website <https://www.tvsbrakelinings.com/images/assets/pdf/SEBI/Code%20of%20conduct%20For%20Directors%20and%20Senior%20Management%20Personnel.pdf>.

As required under Regulation 34(3) and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration from Mr. Krishna Mahesh, Managing Director to this effect is annexed to the Report on corporate governance which forms part of this Annual Report.

DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016

DISCLOSURE UNDER ONE-TIME SETTLEMENT

There was no instance of one time settlement with any Bank or Financial Institution

SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise during the FY 2024-25.

REVISION IN THE FINANCIAL STATEMENTS AND BOARDS REPORT

There was no revision of financial statements and the Board's Report.

LISTING OF SHARES

The equity shares of the Company are listed on the Stock Exchange viz., National stock exchange of India Ltd (NSE). The Company paid the applicable listing fees to the Stock Exchange within the stipulated time for the financial year 2024-25.

CREDIT RATING

The Company is maintaining the existing credit rating obtained from ICRA Limited viz., ICRA BBB+ Stable for long term borrowings and ICRA A2 for short term borrowings.

CORPORATE GOVERNANCE

Your company has taken adequate steps to adhere to all the conditions laid down in SEBI (Listing obligations and disclosure requirements) regulations, 2015 with respect to Corporate Governance. Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule-V thereof, the report on Corporate Governance has been furnished in the Annual Report and forms part of the Annual Report.

A Certificate from the Statutory Auditors of the Company confirming the compliance of conditions of Corporate Governance as stipulated in SEBI (Listing obligations and disclosure requirements) regulations, 2015 forms part of this Annual Report.

The Managing Director and the Chief Financial officer of the Company have certified to the Board the financial statements and other matters in accordance with the Regulation 17(8) of the SEBI (Listing obligations and disclosure requirements) regulations, 2015 pertaining to CEO/CFO certification for the financial year ended 31st March 2025 and the same is enclosed as part of Annual Report.

PERSONNEL

Employee relations have been very cordial during the financial year ended 31st March, 2025. The Board wishes to place on record its appreciation to all the employees in the Company for their sustained efforts and immense contribution to the high level of performance and growth of the business during the year.

ACKNOWLEDGMENT

Your Directors wish to thank State Bank of India and Standard Chartered Bank for their continued support and assistance.

Your Directors wish to thank all the Customers, the wholesalers both in India and worldwide for their continued support.

Your Directors wish to place on record their sincere appreciation for the good work of all the employees of the Company.

For and on behalf of the Board

Place: Chennai
Date: 25th May, 2025

KRISHNA MAHESH
Managing Director
(DIN: 00420048)

SANDHYA SUBRAMANYAM
Director
(DIN: 02753843)

ANNEXURE - I TO THE BOARD'S REPORT**PARTICULARS OF EMPLOYEES AND RATIO OF REMUNERATION OF DIRECTOR**

A. Disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows:

a)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	1. Remuneration paid to Mr. Krishna Mahesh, MD for the FY 2024-25 – ₹ 106.68 Lakhs. 2. Median Salary for FY 2024-25 is ₹ 3.93 Lakhs. 3. Ratio of remuneration paid to MD to Median Salary for FY 2024-25 – 27:1.
b)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	1. Krishna Mahesh, MD – No increase. 2. V Srinivasan, CFO – 2.4% 3. Vishnu Varthan, CS – Not Applicable as appointed during the FY 2024-25.
c)	The percentage increase in the median remuneration of employees in the financial year	8.26%
d)	The number of permanent employees on the rolls of the company	628
e)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	1. There was 9.94% increase in salaries paid to employees other than the managerial personnel in FY 2024-25 as compared to FY 2023-24. 2. There was no increase in the remuneration of the Managing Director.
f)	Affirmation that the remuneration is as per the remuneration policy of the company	The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

Note: Other than Mr. Krishna Mahesh, Managing Director no other Director has drawn any salary or commission during the FY 2024-25.

For and on behalf of the Board

Place: Chennai
Date: 25th May, 2025

KRISHNA MAHESH **SANDHYA SUBRAMANYAM**
Managing Director Director
(DIN: 00420048) (DIN: 02753843)

**ANNEXURE-II TO THE BOARD'S REPORT
RELATED PARTY TRANSACTIONS**

Form No. AOC 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the
Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under their proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis
All transactions entered into by the Company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangement or transactions at an arm's length basis
The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

For and on behalf of the Board

Place: Chennai
Date: 25th May, 2025

KRISHNA MAHESH	SANDHYA SUBRAMANYAM
Managing Director	Director
(DIN: 00420048)	(DIN: 02753843)

ANNEXURE III TO THE BOARD'S REPORT

REPORT ON CORPORATE SOCIAL RESPONSIBILITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

For your Company, CSR means Corporate Sustainable Responsibility and this has been embedded into its business model. The CSR policy of the Company represents the continuing commitment and actions of the Company to contribute towards economy and social development and growth.

2. COMPOSITION OF THE CSR COMMITTEE:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Shripriya Mahesh Ramanan	Member	2	2
2	Mr. Krishna Mahesh	Chairman	2	2
3	Mr. S Venkataraman	Member	2	2

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

The Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed in the website of the Company <https://www.tvbrakelinings.com/sebi.php>.

4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):

Impact Assessment in pursuance of sub-rule (3) of rule 8 of the companies (corporate social responsibility policy) rules, 2014 is not applicable to the Company.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

S. No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	17,000	Nil
2	2021-22	3,000	Nil

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

Average net profit of the Company for last three financial years (2021-22, 2022-23 and 2023-24) calculated in accordance with the provisions of Section 198 of the Companies Act, 2013:

208.97 Lakhs

7. (a) **TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):**
4.18 Lakhs
- (b) **SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMMES OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS:**
0.20 Lakhs.
- (c) **AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY:**
Nil
- (d) **TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR (7a + 7b-7c)**
4.18 Lakhs
8. (a) **CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount	Date of transfer	Name of the Fund	Amount
4.18	Nil	Not applicable	Nil	Not applicable

- (b) **DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:**
Nil
- (c) **DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:**

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project	
				State	District
1.	Math Training Kits to teachers of Single Teacher Schools.	Promoting Education	Yes	Tamil Nadu	All

Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
	Name	CSR Registration number
Yes	SWAMI VIVEKANANDA RURAL DEVELOPMENT SOCIETY	CSR00001905

(d) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS

Nil

(e) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE

Not Applicable

(f) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B + 8C + 8D + 8E)

4.18 Lakhs

(g) EXCESS AMOUNT FOR SET OFF, IF ANY

S. No.	Particular	Amount (₹ In lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	4.18
(ii)	Total amount spent for the Financial Year	4.18
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.20
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.20

9. (a) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		
				Name of the Fund	Amount (in ₹)	Date of transfer
Nil						

(b) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S):

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

**10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR -
Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5)

Not Applicable.

SHRIPRIYA MAHESH RAMANAN
Member
CSR Committee
DIN No:08632277

KRISHNA MAHESH
Member
CSR Committee
DIN: 00420048

Date: 25th May, 2025

ANNEXURE - IV TO BOARD'S REPORT
SPECIMEN COPY OF DECLARATION FROM INDEPENDENT DIRECTORS
ON ANNUAL BASIS

To

The Board of Directors,
Sundaram Brake Linings Limited

Dear Sir(s)

I undertake to comply with the conditions laid down in the Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of Independence and in particular:

1. I declare that upto the date of this Certificate, I did not have any material pecuniary relationship or transactions with the Company, its Promoters, its Directors, Senior Management or its Holding Company, its Subsidiary and Associates which may affect my independence as Director on the Board of the Company. I further declare that I will not enter into any such relationship / transactions. However, if and when I intend to enter into such relationship / transactions, whether material or non-material, I shall keep prior approval of the Board. I agree that I shall cease to be an Independent Director from the date of entering into such relationship / transaction.
2. I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the company in the immediately preceding three financial years.
3. I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
 - (a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (b) The legal firm(s) and consulting firm(s) that have a material association with the company.
4. I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director and was not a substantial shareholder of the Company i.e owning two percent or more of the block of voting shares.
5. I further declare that I will
 - (a) adhere to the standards as set out in the Code for Independent Directors as provided under Schedule IV of the Act;
 - (b) furnish such declaration at the first meeting of the Board in every financial year or whenever there is any change in the circumstances, which may affect my status as an Independent Director, stating that I meet the criteria of independence in terms of the aforesaid provisions of the statutes.

Thanking you,

Yours Faithfully,

Place: Chennai

Name
(Independent Director)

ANNEXURE – V TO BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT – 2024-25

Global Economy

In FY 2024–25, the global economy experienced 3.3% growth and the IMF expects, at best, the same for both 2025 and 2026, reflecting a slight upward revision from earlier estimates. Advanced economies are expected to expand by 1.9% in 2025, while emerging markets and developing economies maintain a steady growth rate of 4.2%. Notably, India's economy is projected to grow robustly at 6.5% in 2025, underscoring its resilience and strong domestic demand.

Commodity markets experienced significant volatility during the year. The World Bank reported that overall global commodity prices declined by 3% in 2024 and are projected to fall by an additional 4% in 2025. Energy prices, particularly oil, remained volatile due to geopolitical tensions and supply-demand imbalances. Brent crude oil prices averaged \$84 per barrel in 2024 and are expected to decrease to \$79 per barrel in 2025, assuming no major supply disruptions. Additionally, gold prices surged to record highs in 2024, driven by heightened geopolitical uncertainties and increased demand from central banks.

The automotive sector showed signs of recovery. Easing semiconductor shortages and a growing demand for electric and fuel-efficient vehicles contributed to a gradual revival in automotive production and sales. However, the sector continues to navigate challenges such as supply chain disruptions and evolving trade policies. For the automotive industry, these dynamics underscore the importance of resilience and long term planning coupled with adaptability to near term demands.

Indian Economy

India's economy demonstrated robust performance in FY 2024–25, with real GDP growth projected between 6.5% and 7.2%, positioning it as one of the fastest-growing major economies globally. This growth was underpinned by strong domestic demand, increased private consumption, and sustained investment momentum. The International Monetary Fund (IMF) maintained its growth forecast at 7% for FY 2024–25, citing resilient rural consumption and a buoyant services sector as key drivers. The Reserve Bank of India (RBI) also projected a 6.5% growth rate, highlighting macroeconomic stability and healthy financial sector indicators.

Inflationary pressures eased during the fiscal year, with headline inflation converging towards the RBI's target of 4%. This moderation in inflation provided the central bank with the flexibility to implement accommodative monetary policies aimed at supporting economic growth. The RBI is anticipated to reduce the repo rate by 25 basis points in its upcoming policy meeting, marking the third consecutive rate cut. The manufacturing sector experienced steady expansion, with the Purchasing Managers' Index (PMI) remaining above the 50.0 threshold, indicating growth. However, the sector faced challenges such as rising input costs and global geopolitical tensions, which impacted demand and supply chains. Despite these headwinds, the automotive industry, a significant consumer of brake linings, showed signs of recovery, driven by easing semiconductor shortages and increased demand for electric and fuel-efficient vehicles.

Industry and company trend

The global automotive industry in FY 2024–25 witnessed continued transformation driven by electrification, digital innovation, and evolving regulatory landscapes. Electric vehicles (EVs) remained a key growth area, supported by ongoing government incentives and advancements in battery technologies, such as faster charging times and extended vehicle range. Automotive manufacturers worldwide expanded their EV portfolios and ramped up production capacities in response to shifting consumer preferences.

The industry also navigated several challenges, including inflationary pressures, evolving trade policies, and geopolitical uncertainties, which affected global supply chains and production schedules. Many regions experienced fluctuations in vehicle exports and imports due to changing tariff structures and logistics disruptions. These factors highlighted the importance of supply chain resilience and the need for diversified sourcing strategies across the sector.

Sustainability and safety have emerged as central themes globally, with regulators tightening emission standards and pushing for advanced driver assistance systems (ADAS) and eco-friendly materials. As vehicles become more connected and technologically complex, component suppliers including those in braking systems are under increasing pressure to innovate and meet stringent quality and performance benchmarks.

The Auto-industry Production & Sales Volume data

(in Lakhs / No.'s)

Comparative Vehicle Production vs Sales						
Vehicle category	Vehicle Production		Growth%	Vehicle Sales		Growth%
	2023-24	2024-25		2023-24	2024-25	
M & HCV	3.91	3.93	0.5	3.91	3.97	1.5
LCV	6.73	6.39	(5.1)	6.44	6.40	(0.6)
Passenger	49.02	50.61	3.2	48.90	50.72	3.6
Three – Wheeler	9.93	10.50	5.7	9.91	10.48	5.4
Two – Wheeler	214.68	238.83	11.3	214.32	238.05	11.1
Total	284.27	310.26	9.1	283.48	309.62	9.2

Source: ACMA

India's automotive sector experienced steady growth in FY 2024–25, driven by strong domestic demand, favourable government policies, and improving rural and urban mobility. The industry is on track to reach USD 300 billion in value by 2026, with rising sales of passenger vehicles, especially in the SUV and utility vehicle segments. This shift reflects changing consumer preferences for larger, more comfortable vehicles with modern features.

Electric vehicle adoption in India accelerated, bolstered by schemes such as FAME II and the Production-Linked Incentive (PLI) program. EV sales reached record levels, supported by growing infrastructure and cost competitiveness. At the same time, alternative fuel vehicles like CNG-powered models also gained traction in various states, indicating a broadening energy mix in India's transportation ecosystem.

Your Company's 2024-25 net sales of ₹ 349.16 crores was almost same as that of the previous year's ₹ 349.60 crores. While your Company increased the export turnover by 11.93%, there was a drop of 7.35% in Domestic segment.

Global Economic Outlook

The global economy is projected to maintain a growth rate of approximately 3.3% in both 2025 and 2026, slightly below the historical average of 3.7% observed between 2000 and 2019. This steady yet modest expansion reflects a balance between robust growth in certain regions and slower recovery in others. Advanced economies are anticipated to experience moderate growth, while emerging markets continue to drive global economic activity.

Inflationary pressures are expected to ease globally, with headline inflation declining to 4.2% in 2025 and further to 3.5% in 2026. This downward trend is attributed to the unwinding of supply-side constraints and the impact of restrictive monetary policies implemented by central banks worldwide. However, the pace of disinflation may vary across regions, influenced by differing economic conditions and policy responses.

The manufacturing sector faces a mixed outlook, with ongoing challenges such as trade tensions, supply chain disruptions, and geopolitical uncertainties impacting production and investment decisions. Notably, Asia's manufacturing activity has shown signs of contraction, influenced by factors like weakened demand and increased tariffs. These dynamics underscore the importance for companies in the automotive supply chain, including brake linings manufacturers, to adopt flexible strategies and diversify markets to navigate the evolving global economic landscape.

Indian Economic Outlook

India's economy is projected to grow between 6.5% and 6.7% in FY 2025–26, maintaining its position as one of the fastest-growing major economies globally. The Reserve Bank of India (RBI) forecasts a 6.7% growth rate, attributing this to robust household consumption, improved employment conditions, and strong investment momentum supported by government policy initiatives and tax relief measures. Similarly, the International Monetary Fund (IMF) anticipates a 6.5% growth, emphasizing the role of sustained macroeconomic and financial stability in driving private consumption.

Inflation is expected to moderate, with the RBI projecting Consumer Price Index (CPI) inflation to average 4.2% in FY 2025–26, aligning with its medium-term target. This outlook is supported by factors such as a favorable monsoon season, high reservoir levels, and declining global commodity prices, which are anticipated to stabilize food prices and bolster rural incomes. The easing inflationary pressures provide the central bank with greater flexibility to support economic growth through accommodative monetary policies.

The manufacturing sector, particularly in areas like electronics and automotive components, is poised for significant growth, driven by government initiatives such as the Production-Linked Incentive (PLI) schemes. These policies aim to enhance domestic manufacturing capabilities and attract foreign investments, positioning India as a key player in global supply chains. For the automotive industry players, these developments present opportunities for expansion and increased demand, especially as the industry continues to recover and evolve.

Opportunities:

Indian automotive industry growth in FY 2025–26 is expected to see increased production across passenger, commercial, and two-wheeler segments. The Company is well positioned to benefit from its strong partnerships with OEMs and its product portfolio expansions. The growing Indian vehicle parc supports the Company's aims to grow its aftermarket business, and the increasing vehicle tonnage aligns with its focus on high-quality, long-life brake linings that ensure safety and enhance both the brand and repeat purchase.

The continuing consumer shift toward SUVs and light commercial vehicles presents a favourable opportunity for your company's established strengths in heavier vehicles and the development of robust, noise-free brake linings engineered for high-load applications. Your company is also working closely with OEMs and fleet operators to offer customized solutions, to expand its presence in both domestic and selected export markets which increasingly demand high performance, high quality braking.

With the rising adoption of electric vehicles (EVs), the Company's R&D initiatives include the development of specialized friction materials compatible with regenerative braking systems. These innovations include corrosion-resistant, low-dust, and quieter linings tailored to the performance and environmental requirements of EVs and anticipate the increasing regulatory requirements of EU VII and by extension BS VII. The increasing focus on EV range and vehicle weight have supported the company's early forays into composites.

The resources of your company's friction business have created the ability for investment in its composites business and the opportunity for that to become a significant growth engine in the near future. The complex geopolitical situation has also given added impetus to the company's drone component supply initiatives.

In response to global supply chain realignments, the Company is actively exploring new export opportunities in the United States. The changing trade policy surrounding iron&steel further advantage your company's non-ferrous composite solutions and promise to provide sustainable opportunities. The Company intends to intensify its focus on European and African markets as near and long term drivers of growth.

Environmental regulations and a global push toward sustainability are creating new product opportunities in both the friction and composite businesses. The Company is proactively investing in eco-friendly and more than regulation-compliant technologies, including new generation asbestos-free friction. Additionally, it is exploring advanced composites for integration with ADAS-compatible braking systems. These initiatives are aligned with the Company's vision to deliver next-generation friction that is safe, efficient, and environmentally responsible.

Threats and mitigation, risks and concerns:

The automotive industry is heavily dependent on stable supply chains. Your company depends on raw materials including metals, resins, fibers, abrasives and lubricants and exports nearly half of its revenue. Disruptions in the availability, price stability, and delivery lead times of key inputs can adversely impact production costs, sales, and margins. In FY 2024–25, fluctuating commodity prices and procurement lead times, and non-tariff export restrictions, particularly for friction-grade raw materials, posed challenges. The Company has adopted a multi-supplier sourcing strategy, diversified its procurement base across geographies, and maintained strategic raw material inventories to ensure continuity of operations and mitigate single-points-of failure.

The changing tariffs landscape in automotive components and industrial goods has created the need for major adjustments in global trade. The emergence of an adverse change in trade policy—including differential tariffs, countervailing tariffs, and non-tariff barriers, —can impact export competitiveness and supply chain efficiency. To counter this, the Company continuously monitors trade policy developments and is developing tariff-friendly products.

Another tailwind to global trade is the continuation or fresh outbreaks of conflicts in Eastern Europe and the Middle East which lead to higher freight rate and insurance premiums, and shipping route disruptions with attendant delays. The Company attempts to mitigate these risk by diversifying its logistics partners, utilizing alternate shipping corridors where feasible, and working closely with suppliers and customers to forecast and plan inventory.

The increased adoption of new braking technologies, such as regenerative braking systems in electric vehicles and ADAS-integrated solutions, may reduce the salience of traditional brake lining materials. Failure to adapt to changing technological standards can result in product obsolescence. To address this, the Company has committed increased R&D investments toward the development of EV-compatible, low-dust, corrosion-resistant and eco-friendly brake linings, thereby future-proofing its product portfolio and sustaining relevance in a rapidly evolving automotive landscape.

Increasing global and domestic regulations on emissions, noise, and end-of-life, have made compliance more complex and cost-intensive and risk market-access. The Company has proactively invested in greener technologies, such as new generation, low shed, asbestos-free and copper-free products, and regularly upgrades its testing and validation facilities to ensure conformity ahead of evolving safety and environmental standards across target markets. The composite business provides additional capabilities in staying on the forefront of minimising transport's environmental footprint.

The accelerating transition towards electric vehicles (EVs) is set to transform the dynamics of braking systems. Recognizing this shift early, your Company has proactively invested in the development and characterization of EV-specific friction formulations, tailored for Indian road and climatic conditions. With the support of its in-house DEFCON tool, the Company is uniquely positioned to analyze EV duty cycles and engineer optimized friction materials that ensure safety, durability, and low noise performance in electric drivetrains. Meanwhile the composite business is uniquely positioned to address the specific requirements of increased EV adoption.

All of your Company's manufacturing is located in Tamil Nadu and while the state remains a major automotive and manufacturing hub, concentrated region-specific risks may impact operations. These include (1) seasonal disruptions due to flooding that impacts plant operations, logistics, and man-power (2) Power availability and unceasing increases in industrial electricity tariffs that pose risks to competitiveness and productivity (3) Labour availability driven by Governmental handouts affect factory staffing. The Company attempts to actively mitigate these risks through disaster preparedness protocols, alternate power sourcing, and maintaining strong community and employee relations to ensure continuity and resilience in its operations.

In the domestic OEM segment during FY 2024–25, some friction material manufacturers collaborate with braking system suppliers whose business practices violate long-standing ethical norms. These attempts aim to secure entry into Indian OEM programs under questionable pretexts. Your Company believes that the unique Indian driving duty cycles, coupled with its extensive and localized product portfolio, serve as significant entry barriers for such players. The Company's capability to internally develop and validate friction materials provides a strategic edge, enabling real-time demonstration of product performance through its proprietary DEFCON (Driver's Experience of Friction Conditions) system, which simulates realistic Indian road and usage conditions.

In the M&HCV aftermarket, both organized and unorganized sector players persist in supplying dangerous asbestos-based linings, despite global scientific consensus on the health hazards posed by a material banned in over 67 countries. Your Company remains firmly committed to promoting safe, asbestos-free alternatives. Through continuous advocacy in industry forums, collaborative efforts with regulatory bodies, and direct engagement with customers and fleet operators, the Company continues to push for a complete phase-out of asbestos in the Indian aftermarket

Internal control system

The Company's system of internal controls for business processes, operations, financial reporting, fraud prevention, and compliance with applicable laws and regulations is sufficient. The audit function of the Company provides reasonable assurance on the effectiveness and efficiency of operations, protection of assets, accuracy of financial records and reports, and the observance of applicable laws and regulations. Regular internal audits and inspections guarantee that responsibilities are carried out successfully. The Audit Committee, conducts periodic reviews of the performance of statutory/internal auditors, the adequacy and effectiveness of internal control systems, and suggests improvements for strengthening the existing control system in the light of changing business requirements.

Quality and Quality Management Systems

Your Company is continuing its focus on improvements to sustain quality management systems through Total Employee Involvement at all levels with a view to achieve enhanced level of customer satisfaction in Domestic as well as Overseas markets. Your company continues to closely monitor and focus on various cost reduction activities and cost control initiatives to achieve planned targets during the year.

Human Resources / Industrial Relations

The Industrial Relations in all four plants of the Company continued to be cordial. Talent attraction and retention in the apprentices category is posing a strong challenge and the dearth of employable candidates, at this level, has drastically risen over the last one year and our company is taking various HR initiatives in this area. The total number of employees on roll as on 31st March 2025 in all the Plants was 1035.

The company has spent significant resources to ensure the health, safety, and wellbeing of our employees- at home, at work, and in between the two.

We have rolled out grade elevation and salary enhancement letters to Managerial and Executive category employees during the Financial Year 2024-25 so that all of your company's employees may share in the enterprise's success.

Accounting Treatment

The Company has followed all the applicable Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs (MCA) in the preparation of financial statements.

Financial and Operational Performance

(₹ in Lakhs)

Particulars	Year 2024-25	Year 2023-24
Revenue from Operations	35,221.30	35,235.87
Other Income	281.40	327.76
TOTAL INCOME	35,502.70	35,563.63
Cost of material consumed	17,759.47	18,499.09
Changes in inventories of finished goods & work-in-progress	(718.73)	(33.55)
Employee benefit expenses	5,495.81	4,838.84
Finance cost	402.89	336.40

Particulars	Year 2024-25	Year 2023-24
Depreciation and amortization expense	596.76	638.37
Other expenses	11,352.4	10,129.99
Total Expenditure	34,888.60	34,409.14
Profit / (Loss) before tax before exceptional item	614.10	1,154.49
Exceptional items	-	-
Profit before tax after exceptional item	614.10	1,154.49
Tax expense		
Current Tax	102.51	198.67
Prior Period Tax	9.65	(19.65)
Deferred Tax liability / (asset) (net)	(15.34)	(33.89)
Profit / (Loss) for the Period	517.28	1,009.36

Note: Previous year figures have been regrouped wherever necessary to conform to this Year's classification.

SIGNIFICANT CHANGES IN KEY FINANCIAL INDICATORS (CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR)

Particulars	Year 2024-25	Year 2023-24	Remarks
Debtors Turnover (No. of days)	83	66	Increased Export turnover and fortifying the supply chain
Inventory Turnover (Times)	7.40	7.30	-
Interest Coverage Ratio	2.52	4.43	Driven by decreased profits
Current Ratio	1.31	1.35	-
Debt Equity Ratio [Debt / (Debt + Net Worth)]	0.36	0.32	-
Operating Profit Margin (%)	2.86	4.19%	Driven by decreased profits
Net Profit Margin (%)	1.73	3.25%	Driven by decreased profits

Cautionary Statement

Certain statements in the "Management Discussion and Analysis Report" may be forward looking and are as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

ANNEXURE – VI TO BOARD’S REPORT

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company remains steadfast in its commitment to uphold the core principles of fairness, transparency, professionalism, accountability, and integrity across all facets of its operations. These values form the foundation for achieving sustainable growth in an increasingly competitive corporate environment. The Company continually strives to enhance shareholder value through prudent financial management, ethical conduct, and sound business decisions. It adheres to the highest standards of corporate governance at all times.

Since its inception, the Company’s policies, practices, and corporate philosophy have been closely aligned with the principles of good corporate governance. These are periodically reviewed and refined to ensure continued effective compliance with evolving regulatory requirements and best practices. The Board of Directors is constituted in a well-balanced and diverse manner, ensuring effective oversight and professional management of the Company’s affairs.

2. BOARD OF DIRECTORS

a) Composition and category of directors

The Board has an optimum mix of Executive, Non-Executive and Independent Directors. The Board of the Company is diverse in terms of qualification, competence, skills and expertise, which enables it to ensure long term value creation for all the stakeholders.

Composition of the Board as on 31st March 2025:

Category	No. of Directors	% to total number of Directors
Executive Director	1	16.67%
Non-Executive - Non Independent Directors	2	33.33%
Non-Executive - Independent Directors	3	50.00%

The Composition of the Board of Directors and category of them are as follows:

S. No.	Name of the Director	DIN	Category of directors
1	Ms. Sandhya Subramanyam	02753843	Non - Executive Independent Director
2	Ms. Shobhana Ramachandhran	00273837	Non - Executive Non Independent Director
3	Ms. Shripriya Mahesh Ramanan	08632277	Non - Executive Non Independent Director
4	Mr.S Venkataraman	09099119	Non - Executive Independent Director
5	Mr. Krishna Mahesh	00420048	Managing Director
6	Mr. M.CT.P. Chidambaram	00298167	Non - Executive Independent Director

All Independent Directors possess the requisite qualifications and are very experienced in their own fields and fulfil required independence criteria. None of the Directors holds membership in more than

ten committees or is Chairman of more than five committees in public limited companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their Directorship and have been taken on record by the Board.

b. Attendance of Directors at Board Meeting and the last Annual General Meeting held on 24th July, 2024

S. No.	Name of Director	No. of Board Meetings held during their tenure	No. of Board Meetings Attended	Attendance at the last AGM (24 th July, 2024)
1	Mr. K S D Sambasivam *	4	1	Yes
2	Ms. Sandhya Subramanyam	4	4	Yes
3	Ms. Shobhana Ramachandhran	4	3	Yes
4	Ms. Shripriya Mahesh Ramanan	4	4	Yes
5	Mr. S Venkataraman	4	4	Yes
6	Mr. Krishna Mahesh	4	4	Yes
7	Mr. M.CT.P. Chidambaram **	4	3	Yes

* retired with effect from 31st July, 2024

** appointed with effect from 28th May 2024

c. Number of other Board of Directors or committees in which the directors are members or chairperson

S. No.	Name	*No. of Directorships in other Companies	**No. of Committee Memberships in other Companies	
			Chairman	Member
1	Mrs. Sandhya Subramanyam	-	-	-
2	Ms. Shobhana Ramachandhran	3	-	2
3	Mrs. Shripriya Mahesh Ramanan	-	-	-
4	Mr. S Venkataraman	-	-	-
5	Mr. Krishna Mahesh	-	-	-
6	Mr. M.CT.P. Chidambaram	-	-	-

* Number of other Directorships in in listed entities.

** Number of membership and chairmanship in committees denotes membership in Audit / Stakeholder relationship Committee in all listed entities.

The name of other listed entities in which director of our company is a director and the category of directorship

S. No.	Name of the Directors	Category of Directors	Name of Listed Companies
1	Ms Sandhya Subramanyam	-	-
2	Ms. Shobhana Ramachandhran	Managing Director	TVS Srichakra Limited
		Independent Director	Sundaram Finance Holdings Limited
		Non Executive Non Independent Director	TVS Supply Chain Solutions Limited
3	Ms Shripriya Mahesh Ramanan	-	-
4	Mr.S Venkataraman	-	-
5	Mr Krishna Mahesh	-	-
6	Mr. M.CT.P. Chidambaram	-	-

d. Number of meetings of the Board of directors held and dates on which held

During the financial year ended 31st March 2025, there were 4 (Four) Board meetings held on 28th May 2024, 09th August 2024, 11th November 2024 and 11th February 2025. The interval between any two meetings was well within the maximum time limit allowed as per the provisions of Companies Act, 2013 and amendments made thereunder.

e. Relationship between Directors inter-se

Ms. Shripriya Mahesh Ramanan, Non-Executive Non Independent Director is relative (sister) to Mr. Krishna Mahesh, Managing Director.

f. No. of shares and convertible instruments held by Non-Executive Directors

S. No.	Name	Category	No. of equity shares held
1.	Ms Sandhya Subramanyam	Non-Executive & Independent	-
2.	Ms. Shobhana Ramachandhran	Non-Executive	-
3.	Mrs. Shripriya Mahesh Ramanan	Non-Executive	13,608
4.	Mr. S Venkataraman	Non-Executive & Independent	-

g. Web link where details of familiarisation programmes imparted to independent directors is disclosed

The Company has been conducting familiarisation programmes for the Independent Directors of the Company through a detailed presentation. The details of such familiarisation programme are disseminated on the website of the Company

<https://www.tvbrakelinings.com/images/assets/pdf/SEBI/Details%20of%20familiarization%20programmes%20imparted%20to%20independent%20directors.pdf>

- h. A chart or a matrix setting out the skills / expertise / competence of the board of directors specifying the list of core skills / expertise / competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board

The following are the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the business of the Company:

- General Management skills
- Leadership Skills
- Problem Solving/Decision Making
- Relationship Building
- Communication Skills
- Planning & Strategy Development

Names of directors along with the skills / expertise / competence

Name of Directors	Competency Matrix					
	General Management skills	Leadership skills	Problem solving /Decision making [§]	Relationship building	Communication skills	Planning & Strategy Development [^]
Sandhya Subramanyam	High	High	High	High	High	High
Shobhana Ramachandhran	High	High	High	High	High	High
Shripriya Mahesh Ramanan	High	High	High	High	High	High
S Venkataraman	High	High	High	High	High	High
Krishna Mahesh	High	High	High	High	High	High
M.CT.P. Chidambaram	High	High	High	High	High	High

[^] Planning & Strategy Development includes core experience in industry across varied sectors, Information technology planning & design etc.

[§] Problem solving / Decision making includes Strategic Management / Planning / Financial Analysis and decision making.

- i. Confirmation that in the opinion of the board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management

In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the SEBI Listing Regulations and are Independent in the Management of the Company.

- j) **Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such Director that there are no other material reasons other than those provided.**

During the financial year under review Mt. K S D Sambasivam, Non - Executive Independent Director retired with effect from 31st July 2024 due to his end of the term of Independent Directorship and he has confirmed that no other material reason was there for his retirement.

3. AUDIT COMMITTEE

a. **Brief description of terms of reference**

The Audit Committee supports the Board in overseeing the company's financial reporting and accounting processes. Its scope includes all matters under Regulation 18 of SEBI (LODR) Regulations, 2015, and Section 177 of the Companies Act, 2013. Key functions include reviewing internal audit reports, evaluating internal controls and financial reporting systems, and assessing the adequacy of financial policies. The Committee also reviews statutory compliance, financial statements, and related party transactions, and reports its findings to the Board. It recommends the appointment of Statutory, Internal, Secretarial, and Cost Auditors (if applicable), monitors payment defaults, and addresses matters referred by the Board. Statutory and Internal Auditors attend all Committee meetings.

b. **Composition of the Audit Committee**

The composition of the Audit Committee is in accordance with the provisions of Section 177 of the Companies Act, 2013 and the rules made there under and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of the following directors for the year ended 31st March 2025:

S. No.	Name of Members	Position	Category
1	Ms. Sandhya Subramanyam	Chairperson	Non-Executive & Independent
2	Mr.S Venkataraman	Member	Non-Executive & Independent
3	Mr. M.CT.P. Chidambaram	Member	Non-Executive & Independent

The Committee comprised of Three Independent Directors, all of whom are financially literate and have relevant finance / audit exposure. The Managing Director and the Chief Financial Officer are permanent invitees to the meetings of the Committee. The other directors are invited to attend the audit committee meetings as and when required. The Company Secretary acts as the Secretary to the committee.

c. **Meetings and Attendance**

The members of Audit Committee met Four times for the financial year ended 31st March 2025 viz., 28th May 2024, 09th August 2024, 11th November 2024 and 11th February, 2025.

The particulars of attendance by the members of the Committee during the year under review.

S. No.	Name of Members	Position	No of Meetings held	No. of Meetings Attended
1	Mr. K S D Sambasivam*	Member	4	1
2	Ms. Sandhya Subramanyam	Chairman	4	4
3	Mr. S Venkataraman	Member	4	4
4	Mr. M.CT.P. Chidambaram**	Member	4	3

* retired with effect from 31st July 2024.

** appointed with effect from 01st August 2024.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of terms of reference:

The Committee is constituted in accordance with Section 178 of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, and Regulation 19 and Part D (Point A) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Its terms of reference include formulating criteria for determining qualifications, positive attributes, and independence of directors, and recommending a policy on the remuneration of directors, key managerial personnel, and other employees. The Committee also develops criteria for evaluating the performance of the Board and independent directors, devises a policy on board diversity, and identifies suitable candidates for directorship and senior management positions. Additionally, it reviews and recommends the extension or continuation of independent directors based on their performance evaluation.

b) Composition of the Nomination and remuneration committee

The Nomination and Remuneration committee comprises of the following directors for the year ended 31st March 2025. The Company Secretary is the Secretary to the Committee.

S. No.	Name of Members	Position	Category
1	Ms. Sandhya Subramanyam	Member	Non-Executive & Independent
2	Ms. Shobhana Ramachandran	Member	Non-Executive & Non Independent
3	Mr. M.CT.P. Chidambaram	Chairman	Non-Executive & Independent

c) Meetings and Attendance during the year

The members of Nomination and Remuneration Committee met two time during the financial year ended 31st March, 2025 viz., on 28th May 2024 and 11th November 2024.

The particulars of attendance by the members of the Committee during the year under review

S. No.	Name of Members	Position	No of Meetings held	No. of Meetings Attended
1	Mr. K S D Sambasivam*	Chairman	2	1
2	Ms. Sandhya Subramanyam	Member	2	2
3	Ms. Shobhana Ramachandran	Member	2	1
4	Mr. M.CT.P. Chidambaram**	Chairman	2	1

* retired with effect from 31st July 2024.

** appointed with effect from 01st August 2024.

d) **Performance evaluation criteria for independent directors**

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. Their criteria provide for certain parameters detailed here below:

1. Attendance at Meetings - attendance at Board Meetings, General and Committee meetings.
2. Other Directorships held by the Non-Executive Director in listed or unlisted companies
3. Other companies in which Non-Executive Director is a Chairperson
4. Participation at Board/Committee meetings
5. Input in strategy decisions
6. Review of Financial Statements, risks and business performance
7. Time devoted towards discussion with Management
8. Review of Minutes - Board Minutes, Committee meeting minutes and AGM Minutes.

A separate exercise was carried out to evaluate the performance of individual directors including the Managing Director, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safe guarding the interest of the Company and its various stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors and they expressed their satisfaction with the evaluation process.

5. OTHER COMMITTEES

STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Brief description of terms of reference:

The terms of reference, roles & responsibilities of the Stakeholders Relationship Committee ("SRC") is in accordance with the provisions of the Section 178(5) of the Act, read with Regulation 20 read with Part D of Schedule II of SEBI LODR.

b. Composition of the committee:

The committee comprises of the following directors for the year ended 31st March 2025. The Company Secretary is the Secretary to the Committee.

S. No.	Name of Members	Position	Category
1	Ms. Sandhya Subramanyam	Member	Non-Executive & Independent
2	Mr. S Venkataraman	Chairman	Non-Executive & Independent
3	Mr. Krishna Mahesh	Member	Executive

c. Meetings and Attendance during the year:

The members of the Committee met four times during the financial year ended 31st March, 2025 viz., on 28th May 2024, 09th August 2024, 11th November 2024 and 11th February 2025.

The particulars of attendance by the members of the Committee during the year under review:

S. No.	Name of Members	Position	No of Meetings held	No. of Meetings Attended
1	Mr. K S D Sambasivam*	Chairman	4	1
2	Ms. Sandhya Subramanyam	Member	4	4
3	Mr. Krishna Mahesh	Member	4	4
4	Mr. S Venkataraman**	Chairman	4	3

* retired with effect from 31st July 2024.

** appointed with effect from 01st August 2024.

No. of Service requests received and redressed during the year 2024-25

S. No.	Nature of Service requests	No. of Service requests
1	Issue of Duplicate Share Certificate	4
2	Change of Name	Nil
3	Correction in dividend warrant	Nil
4	Procedure for transmission	24
5	General queries	41
6	Unclaimed Dividend Warrant	4
7	Procedure for Loss of Share Certificate	11
8	IEPF 5 - Certificate & Dividend	2
9	Revalidation of Dividend Warrant	40
10	Non Receipt of Dividend	Nil
11	Change of Address and Bank Mandate	83
12	Share certificate	1
13	Annual Report	14
14	Form 15G/15H- Information	1
	Total	225

All the requests received from the shareholders were attended within the stipulated time and nothing was pending for disposal at the end of the year. Mr. J R Vishnu Varthan, Company Secretary is the compliance officer of the company. For any clarification / complaint, the shareholders may contact Mr. J R Vishnu Varthan, Company Secretary of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and the Committee has formulated a policy on Corporate Social Responsibility. The members of the Committee met two times during the financial year ended 31st March, 2025 viz., on 28th May 2024 and 11th February 2025. The composition of the committee and attendance details of members is as follows:

Mr. J R Vishnu Varthan, Company Secretary and Compliance Officer of the Company is the Secretary to the Committee.

S. No	Name of Members	Position	Category	No of meetings held	No of meetings attended
1	Mr. S Venkataraman*	Member	Non-Executive & Independent Director	2	2
2	Mrs. Shripriya Mahesh Ramanan	Member	Non-Executive & Non Independent Director	2	1
3	Mr. Krishna Mahesh	Chairman	Executive Director	2	2

* Appointed w.e.f. 28th May 2024.

The terms of reference of CSR Committee shall, inter-alia, include the following:

1. Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per schedule VII of the Companies Act, 2013.
2. Review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company.
3. Monitor the CSR policy of the Company from time to time.
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

MEETING OF INDEPENDENT DIRECTORS

During the financial year ended 31st March 2025, the Independent Directors met on 27th March 2025 without the presence of the Executive Directors and Management personnel of the Company. Such meetings are conducted to enable Independent Directors inter alia to discuss:

1. Evaluation of the performance of the Non-Independent Directors and the Board of Directors as a Whole.
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and they were satisfied with the evaluation.

All the Independent Directors were present for the meeting.

6. REMUNERATION OF DIRECTORS

(a) All pecuniary relationship or transactions of the non-executive directors vis-a-vis the listed entity

There were no other pecuniary relationships or transactions of the non-executive directors visà- vis the Company during the Financial Year ended 31st March, 2025 except payment of sitting fees as disclosed below:

(b) Criteria of making payments to Non-Executive Directors

The Company has pre-defined policy of not making any payments except sitting fees to Non-Executive Directors.

(c) Disclosures with respect to remuneration

i) Remuneration to Executive Director

Mr. Krishna Mahesh is the Managing Director of the Company. He was re-appointed by the Shareholders for a period of 3 years with effect from 06th February, 2025 with a minimum remuneration of ₹ 7 lakhs per month along with a commission of 5% on Net profits by Special Resolution vide Postal Ballot on 24th December 2024.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and the Committees.

Details of Remuneration paid to Mr. Krishna Mahesh, Managing Director during the Financial Year 2024-25:

Particulars	Amount (in ₹)
Salary	84.00
Contribution to Provident Fund / Pension	10.08
Contribution to Superannuation fund	12.60
Total	106.68

ii) Remuneration to Non-Executive Directors

Details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2024-25:

(Amount in ₹)

Name of the Director	Meetings						Total
	Board	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Independent Directors	Corporate Social Responsibility Committee	
Mr. K S D Sambasivam*	5,000	5,000	5,000	5,000	0	0	20,000
Ms. Sandhya Subramanyam	20,000	20,000	10,000	20,000	0	0	70,000
Ms. Shobhana Ramachandhran	15,000	0	5,000	0	0	0	20,000
Ms. Shripriya Mahesh Ramanan	20,000	0	0	0	0	5,000	25,000
Mr.S Venkataraman	20,000	20,000	0	15,000	5,000	10,000	70,000
Mr. M.CT.P. Chidambaram**	15,000	15,000	5,000	0	5,000	0	40,000
TOTAL							2,45,000

* retired with effect from 31st July 2024.

** appointed with effect from 28th May 2024

7. ANNUAL GENERAL MEETING / EXTRAORDINARY GENERAL MEETING

- a) **Location and time, where last three Annual General Meetings (AGM) held and confirmation of special resolution passed during the meetings:**

Financial year	Location	Date	Time	Special resolutions passed at the AGM
2023-24	Video Conference ("VC")/ Other Audit visual means(OAVM")	24 th July, 2024	10.00 AM	1. Appointment of Mr. M.CT.P. Chidambaram as Non Executive Independent Director
2022-23	Video Conference ("VC")/ Other Audit visual means(OAVM")	28 th July, 2023	09.15 AM	No Special Resolution was passed in this meeting
2021-22	Video Conference ("VC")/ Other Audit visual means(OAVM")	04 th Aug, 2022	10.01 AM	No Special Resolution was passed in this meeting

There was no Extra Ordinary General meeting held during the last 3 years.

b) Details of any special resolution passed last year through postal ballot and details of voting pattern

The Company has passed a Special Resolution vide their Postal Ballot Notice dated 11th November 2024 for Reappointment of Mr. Krishna Mahesh, Managing Director for the period of 3 years with effect from 06th February 2025 during the financial year ended 31st March 2025.

M/s. V Suresh Associates was appointed as Scrutinizer for the Postal ballot and conducted the proceedings. The Special Resolution was passed with required majority.

Special resolutions proposed to be conducted through postal ballot;

There is no imminent proposal for passing any special resolution through Postal Ballot on or before the ensuing Annual General Meeting.

c) Reclassification of certain Promoters under Regulation 31A of SEBI (LODR) Regulations, 2015:

The company has submitted the Reclassification Application with the National Stock Exchange, Mumbai on 10.11.2022 for the reclassification approved by the shareholder's in the meeting held on 14.10.2022. During the financial year ended 31st March, 2025 the said reclassification application was approved by the National Stock Exchange (NSE) vide their letter dated 27th January 2025.

8. MEANS OF COMMUNICATION

a) Quarterly results

The Company's quarterly financial results and the audited annual financial results are announced as per the requirements of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 to the Stock Exchange. The aforesaid financial results are intimated to BSE Limited (BSE) and National Stock Exchange (NSE), immediately after the approval of the Board of directors and are simultaneously displayed in Company's website <https://www.tvstrakelinings.com/sebi-24-25.php>.

b) Newspapers wherein results are normally published

The Company's quarterly, half-yearly and annual audited financial results are normally published in leading daily newspapers, viz. Financial Express (English-National daily newspaper) and Dinamani (vernacular newspaper-Tamil).

c) Website

The company's website address is **www.tvstrakelinings.com**. The website contains basic information about the Company and such other details as required under the Listing Regulation. The Company ensures periodical update of its website. The Company has designated the e-mail ID **vishnu@tvssbl.com** to enable the shareholders to register their grievances.

d) Official New releases & other Communication

All other official news releases which are required to be disclosed pursuant to Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company www.tvstrakelinings.com in separate categories.

e) Presentations made to institutional investors or to the analysts

The Company has not made any Presentation to investors or to the analysts during the financial year ended 31st March, 2025.

9. GENERAL SHAREHOLDERS INFORMATION**a) Annual General Meeting**

Date and time	Thursday, 24 th July, 2025 at 04.45 P.M. IST
Mode	Video Conferencing / Other Audio Visual Means
Book Closure Date	18 th July, 2025 to 24 th July, 2025

b) Financial year

The financial year of the Company is 1st April to 31st March.

Calendar of financial year 2024-25

The meetings of Board of Directors for approval of Quarterly / Half yearly / Annual financial results during the financial year ended 31st March, 2025 were held on the following dates:

First Quarter Results	09 th August, 2024
Second Quarter and Half yearly Results	11 th November, 2024
Third Quarter Results	11 th February, 2025
Audited Annual Results	25 th May, 2025

Tentative Calendar for financial year 2025-26

The tentative dates of meeting of Board of Directors for consideration of Quarterly / Half yearly / Annual Audited financial results inter alia with other business of the Company for the financial year 2025-26 are as follows:

First Quarter Results	Not later than 14 th August 2025
Second Quarter and Half yearly Results	Not later than 14 th November 2025
Third Quarter Results	Not later than 14 th February 2026
Audited Annual Results	Not later than 30 th May 2026

c) Dividend payment date;

The Board has recommended a final Dividend of ₹ 1.5 per equity share of ₹ 10 each i.e. 15%. The Dividend will be paid before 23rd August, 2025 once the Shareholders approve the same in the upcoming 51st Annual General Meeting.

d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)

The equity securities of the Company are listed in National Stock Exchange (NSE) and the listing fee for the financial year 2024-25 was paid on 16th April, 2025. Further, the shares of the Company are being traded in BSE under the permitted route for trading.

e) **Stock Code**

National stock Exchange of India Ltd (NSE) Code: SUNDRMBRAK EQ	BSE Limited (BSE) (Permitted security) Scrip Code: 590072	Under Demat System, the ISIN allotted to the Company's Equity Shares is INE073D01013.
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- f) The securities of the Company were not suspended from trading during the financial year. Hence there is no explanation required to be provided in the Board's Report.

g) **Registrar and Share Transfer Agent:**

M/s. Integrated Registry Management Services Private Limited,
2nd Floor, Kences Towers, No.1,
Ramakrishna Street, North Usman Road,
T. Nagar, Chennai - 600 017.

h) **Share / Security Transfer System:**

The share transfer requests are processed within the timelines stipulated under the SEBI Listing Regulations, 2015. The Board of Directors has delegated the power to approve transfer of shares, transmission of shares, transposition of shares, consolidations of shares, split of shares, change of name, issue of new share certificates in lieu of old / mutilated certificates, dematerialization of shares and rematerialisation of shares ("Transactions") and rejection of the said transactions on technical grounds to the authorized officers of the Company (delegated authority). The delegated authority attends to share transfer formalities at such intervals as required. Later, Stakeholders' Relationship Committee and the Board takes on record the approved transactions.

i) **Distribution of Shareholding pattern as on 31st March 2025:**

S.No	Category	No of Holders	% of Holders	No of Shares	% of Shares
1	UPTO 500	8628	95.63	5,17,946	13.16
2	501 - 1000	217	2.41	1,64,123	4.17
3	1001 - 2000	72	0.8	1,03,417	2.63
4	2001 - 3000	35	0.39	86,539	2.20
5	3001 - 4000	9	0.1	32,550	0.83
6	4001 - 5000	12	0.13	53,069	1.35
7	5001 - 10000	24	0.27	1,67,948	4.27
8	10001 and above	24	0.27	28,08,983	71.39
	Total	9021	100.00	3934575	100.00

Shareholding pattern as on 31st March 2025:

Category	No. of Shares held	% of total shares held
PROMOTERS & PROMOTER GROUP		
Promoter Companies	12,85,290	32.67
Promoter Group- Corporate	3,73,883	9.50
Promoter Group- Individual	8,56,429	21.77
Sub Total (A)	25,15,602	63.94
PUBLIC AND OTHERS		
Directors & Relatives	140	0.00
Body Corporate	1,23,462	3.14
Non-Resident Indians	29,175	0.74
Public Resident Individuals & HUF	12,19,592	31.00
Limited Liability Partnership	1,244	0.03
IEPF	45,360	1.15
Sub Total (B)	14,18,973	36.06
TOTAL (A + B)	39,34,575	100.00

j) Dematerialisation of shares and Liquidity:

In accordance with the SEBI Circular SEBI/Cir/ISD/3 2011 dated June 17, 2011, the entire shareholding of promoters' and promoter group of 25,15,602 shares are held in dematerialised form.

Out of the balance 14,18,973 equity shares held by the Public (other than Promoters), 38,68,586 equity shares have been dematerialised as on 31st March 2025 accounting for 98.32%.

As per the directives issued by SEBI effective from 26th March 2001, the equity shares of the Company are placed in its compulsory demat list of securities for the purpose of trading.

Mode of holding	As on 31 st March, 2025		As on 31 st March, 2024	
	No. of Shares	% to Equity	No. of Shares	% to Equity
NSDL	34,24,572	87.04	34,37,879	87.38
CDSL	4,44,014	11.28	4,25,769	10.82
PHYSICAL	65,989	1.68	70,927	1.80

k) Outstanding GDRs / ADRs / Warrants or any Convertible instrument, Conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs /Warrants or any convertible instruments as on date.

l) Commodity price risk or foreign exchange risk and hedging activities;

The Company does not have exposure to foreign exchange risk.

m) **Plant Locations:**

Padi, Chennai - 600 050 Phone: +91 44 26257853 E-mail : sbl@tvssbl.com	TSK Puram Plant I & II Mustakurichi Post, Virudhunagar District Pincode - 626 106 Phone: 04566 250290 - 295 E-mail : tskp@tvssbl.com tskp2@tvssbl.com	Plant 4 & Plant 5 Plot No.AA6, 6 th Avenue Auto Ancillary SEZ Mahindra World City Natham Sub Post, Chengalpet, Kanchipuram District, Pincode - 603 004 Phone: 044-4749 0005 E-mail : plant4@tvssbl.com plant5@tvssbl.com
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n) **Address for Correspondence:**

Registrar and Share Transfer Agent	Integrated Registry Management Services Private Limited 2 nd Floor, Kences Towers No.1 Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017	Phone: +91 44 28140801 - 808 Fax: +91 44 28142479 E-mail : kalyan@integratedindia.in
For any other general matters or in case of any difficulty / grievance	Company Secretary Sundaram Brake Linings Limited Padi, Chennai - 600 050	Phone: +91 44 26257853 Fax: +91 44 26254770 E-mail : vishnu@tvssbl.com

- o) 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

CREDIT RATING

Name of the Rating Agency	Type of Instruments	Amount (₹ Crore)	Ratings Assigned
ICRA LIMITED	Long term - Fund-based-CC	85.00	[ICRA] BBB + (Stable)
	Long Term – Term Loan	25.00	reaffirmed
	Short term - Non-fund based	4.07	[ICRA] BBB + (Stable) reaffirmed
	Short term - Fund-based sub limits	(65.00)	[ICRA] A2; reaffirmed
	Short term - Non-fund based sub limits	(1.50)	[ICRA] A2; reaffirmed
Total		114.07	[ICRA] A2; reaffirmed

10. OTHER DISCLOSURES:

a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There were no materially significant related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2024-25 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.

The Company has adopted a policy on related party transaction and it is placed on website of the Company web link:

<https://www.tvbrakelinings.com/images/assets/pdf/SEBI/Policy%20on%20dealing%20with%20related%20party%20transactions.pdf>

b) Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange or the board or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. The NSE imposed a penalty of ₹ 33,040/- (including GST) towards Non-Compliance of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the company has paid the same.

Other than the above there has not been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any statutory authority, on any matter related to capital markets, during the last three years.

c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee

The Company has an established mechanism for Directors / Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/employees who avail of the mechanism. The Company affirms that no personnel has been denied access to the audit committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters. The Vigil Mechanism Policy shall be viewed at our company's website:

<https://www.tvbrakelinings.com/images/assets/pdf/SEBI/Vigil%20Mechanism-Whistle%20Blower%20Policy.pdf>

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has fully complied with all the mandatory requirements and has adopted certain non mandatory requirements as prescribed in Part - E of Schedule II to the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) The Board

The Company has not appointed a non-executive director as the chairperson of the company and the reimbursement of expenses incurred in the performance of his duties does not arise.

ii) Shareholders' Rights

Pursuant to regulations of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as the company's quarterly / half yearly / annual financial results are published in an English newspaper having wide circulation all over India and in Tamil newspaper widely circulated in Chennai and the Company is not sending the same to the shareholders of the Company individually. The same is being hosted in the company's website <https://www.tvstrakelinings.com/sebi-24-25.php> within the stipulated time.

iii) Modified opinion(s) in audit report

The financial statement of the Company is a statement of an unmodified audit opinion.

iv) Reporting of internal auditor

The Internal auditor is directly reporting to the Audit Committee covering the scope of Internal Audit.

v) Policy for Determining 'Material' Subsidiaries:

The Company does not have any material subsidiary. Hence the necessity for complying with respect to framing a policy for determining the material subsidiary does not arise.

vi) Policy on dealing with related party transactions is available

The Policy on dealing with related party transactions is available in our Company's website <https://www.tvstrakelinings.com/images/assets/pdf/SEBI/Policy%20on%20dealing%20with%20related%20party%20transactions.pdf>

vii) Disclosure of Commodity Price Risks and Commodity Hedging Activities

The Company has commodity price risk, primarily related to the purchase of Steel and Aluminium. However, the Company does not bear any significant exposure to earnings risk, as such changes are included in the rate-recovery mechanisms with the customers and the Company does not indulge in any commodity hedging activities.

viii) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement during the year ended 31st March 2025.

ix) Certificate from Practicing Company Secretary regarding disqualification of Directors

None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority.

A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

x) Details of recommendations of Committees which were not accepted by the board along with reasons:

During the year ended 31st March 2025, all recommendations made by the Committees of the Board of Directors (viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee & CSR Committee) were accepted by the Board of the Company.

xi) Total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors

M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No.000511S) are the Statutory Auditors of the Company. The particulars of payment made to Statutory Auditors' fees, on consolidated basis is given below:

S. No.	Particulars	Amount (in Lakhs)
1.	Audit Fees	10.50
2.	Tax Audit Fees	2.00
3.	Other Services	1.00
4.	Reimbursement of expenses	0.05
	Total	13.55

xii) Statement of Complaints in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Particulars	Status
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

11. Non-compliance of any requirement of S. No 2 to 10 of schedule V of Regulation 34 of SEBI (LODR) Regulations, 2015

The Company has complied with all the requirement of corporate governance report which is mentioned in S. No. 2 to 10 of Schedule V of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

12. Affirmation that the corporate governance report has disclosed the extent to which the discretionary requirements as specified in Part E of the Schedule II to the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has adopted the requirements as per Regulations 27(1) read with Part E of Schedule II of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as detailed in this Report.

13. DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION 2015

Regulation	Particulars	Compliance Status (Yes / No / NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders' Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary companies	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46(2) (b) to (i)	Website	Yes

Disclosures with respect to demat suspense account/unclaimed suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Not Applicable
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	
Number of shareholders to whom shares were transferred from suspense account during the year;	
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	
the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	

DECLARATION SIGNED BY THE MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT IS PROVIDED BELOW:

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management personnel. The Code of Conduct is available on the Company's website

<https://www.tvsbrakelinings.com/sebi.php>

It is hereby confirmed that the Members of the Board and the Senior Management Personnel of the Company have affirmed Compliance with the respective provisions of the Code of Conduct of the Company for the year ended 31st March 2025.

Place: Chennai

Date: May 25, 2025

KRISHNA MAHESH

Managing Director

DECLARATION OF COMPLIANCE OF INDEPENDENCE CRITERIA BY INDEPENDENT DIRECTORS

Based on our examination of the relevant Declaration on Independence and according to the information and explanations provided to us, in the opinion of the Board, it is confirmed that the Independent Directors on the Board of the Company are complying the required conditions laid down in the Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of Independence.

Further, it is hereby confirmed that the Members of the Board have affirmed that the Independent Directors have adhered to the standards as set out in the Code for Independent Directors as provided under Schedule IV of the Act.

Place: Chennai

Date: May 25, 2025

KRISHNA MAHESH

Managing Director

INFORMATION TO SHAREHOLDERS

Shareholders are requested to make note of the following procedure.

All communications including change of address, bank account details etc., are to be made to the Company's Registrar & Transfer Agent's address furnished elsewhere in this report.

As required by SEBI, it is advised that the investors shall furnish details of their bank account number, name and address of the bank for incorporating the same in the warrants. This information is required to avoid wrong credits being obtained by unauthorised persons.

The shareholders who are covered by the designated centres / cities as notified by the Reserve Bank of India where the Electronic Clearing Service (ECS) is extended by them, are requested to write to the Office and Factory of the Company at Padi, Chennai - 600 050 for obtaining the mandate format for their execution and return for credit of dividend to their bank account under ECS.

The Shareholders who have not availed nomination facility are requested to kindly fill in the nomination form and submit the same to the Company along with requisite proof of nomination.

The Shareholders are requested to kindly note that any dividend which remains unclaimed / un-encashed for a period of seven years will be transferred to Investors Education and Protection Fund - IEPF in terms of Section 124 of the Companies Act, 2013 and the rules made thereunder. Out of the dividends declared for all the financial years including and up to the financial year 2011-12, the amount which remained unclaimed has been transferred to the IEPF as per the provision of Section 124 of the Companies Act, 2013.

Shareholders holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility, furnishing of bank account details etc.

Place: Chennai
Date: May 25, 2025

KRISHNA MAHESH
Managing Director

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER SECURITIES AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the Members of
SUNDARAM BRAKE LININGS LIMITED
PADI, CHENNAI-600050

We have examined the compliance of Corporate Governance by Sundaram brake linings limited for the year ended 31st March 2025, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures 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 opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the followings:

We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.

We 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 conducted the affairs of the Company.

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P. No. 6032

Peer Review Cert. No.: 6366/2025
UDIN: F002969G000386451

Place: Chennai
Date: 25.05.2025

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year 2024-25

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

To,

The Members,

M/s.Sundaram Brake Linings Limited

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

Based on our verification of **SUNDARAM BRAKE LININGS LIMITED** 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, the explanations and clarifications given to us, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2025, 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 **SUNDARAM BRAKE LININGS LIMITED** ("the Company") for the financial year ended on 31st March 2025 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– *(Not applicable to the Company during the audit period)*
- (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 and amendments from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the audit period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**.

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period).**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period).**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**

Other Laws specifically applicable to this Company is as follows:

- (vi) Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. There is change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to at least seven days in advance 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and therefore no dissenting views were required to be 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 the reclassification of Promoters as per the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been approved by the National Stock Exchange of India Limited (NSE) on January 27, 2025.

This report is to be read with our letter of even date vide **Annexure-1** that forms part of this report.

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P. No. 6032

Peer Review Cert. No.: 6366/2025
UDIN: F002969G000385824

Place: Chennai
Date: 25.05.2025

ANNEXURE-1

To,

The Members

Sundaram Brake Linings Limited

Padi, Chennai – 600050.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. 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. Where ever 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 is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P. No. 6032

Peer Review Cert. No.: 6366/2025
UDIN: F002969G000385824

Place: Chennai
Date: 25.05.2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause 10 (i) of the SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015*

To

The Members of

Sundaram Brake Linings Limited

Padi, Chennai - 600 050.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sundaram Brake Linings Limited having registered office at Padi, Chennai – 600050 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 me 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 on 31st March, 2025 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.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Krishna Mahesh	00420048	06.02.2016
2	Mr. MCT Chidambaram Pethachi Chidambaram	00298167	28.05.2024
3	Ms. Sandhya Subramanyam	02753843	29.09.2014
4	Ms. Shobhana Ramachandhran	00273837	13.08.2019
5	Ms. Shripriya Mahesh Ramanan	08632277	12.02.2020
6	Mr. Venkataraman Subramanian	09099119	27.05.2022

Ensuring the eligibility of for 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 V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P. No. 6032

Peer Review Cert. No.: 6366/2025
UDIN: F002969G000386374

Place: Chennai
Date: 25.05.2025

Independent Auditor's Report

To The Members of Sundaram Brake Linings Limited

Report on the Audit of the Financial Statements

1. Opinion

We have audited the accompanying financial statements of Sundaram Brake Linings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information. ("the financial statements").

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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

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

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

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

5. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

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

6. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

7. Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 7 (i) (v) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

- e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 7 (i) (v) below on reporting under Rule 11(g) of the Rules.
- g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”;
- h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- 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, 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 No: 37 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 44 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 44 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that 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. Based on our examination, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility.

The Company has migrated to Enterprise Resource Planning (ERP) software from the legacy software from the beginning of the previous financial year for the financial accounting module. The ERP modules for payroll, property, plant and equipment and inventory are under implementation and the legacy software for these modules did not have the audit trail feature enabled.

ERP software for the financial accounting module has a feature of recording audit trail (edit log) facility. However, the company needs to ensure that controls over the User IDs assigned to each individual.

During the course of our audit and based on the information and explanations given to us, we did not come across any instance of audit trail feature being tampered with.

The audit trail has been preserved by the company as per the statutory requirements for record retention.

- vi. As stated in note 1(5) (e) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No: 000511S

L.Ravi Sankar
Partner

Membership No: 025929
UDIN NO: 25025929BMRJSN3002

Place: Chennai
Date: 25th May, 2025

ANNEXURE A TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2025, to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment (PPE).
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the PPE are physically verified by the management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The physically verification of PPE have been conducted by the management during the financial year 2022-2023. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued any of its PPE (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, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (f) The Management has conducted physical verification of inventory at reasonable intervals which in our opinion, is reasonable having regard to the size of the Company and the nature of its inventory and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification.
- (g) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has made investments in companies and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The company has complied with the provisions of section 185 and 186 of the Companies Act 2013, with respect to the loans and investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit within the meaning of Sections 73 to 76 of the Companies Act 2013, during the year.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, duty of Customs, duty of excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on when they become payable.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes except the following:

Name of the Statute	Nature of the dues	Total amount (in Lakhs)	Financial year to which amount relates	Forum where dispute is pending
Tamil Nadu VAT Act 2006	Disallowance of Input Tax Credit	28.04	2009-10, 2013-14 and 2014-15	Assistant Commissioner (Commercial Taxes)
Tamil Nadu General Sales Tax Act 1959	Sales Tax	14.86	1986-87 1992-93 and 2009-10	Sales Tax Appellate Tribunal

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has applied term loans for the purpose for which the loans were obtained.
- (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.

- (e) There are no subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(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 3(x)(b) of the Order is not applicable.
- (xi) (a) No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
(b) No report under sub-section (12) of section 143 of the Companies Act 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 up to the date of this report.
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) The transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with them.
- (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.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) The company does not have ongoing projects and section 135(6) of the Act is not applicable to the company. Hence reporting under clause 3(xx)(b) of the Order is not applicable.
- (xxi) The company is not having any subsidiaries and therefore not required to draw any consolidated financial statements. Hence, the reporting under clause 3(xxi) of the Order is not applicable.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No: 000511S

L.Ravi Sankar
Partner

Place: Chennai
Date: 25th May, 2025

Membership No: 025929
UDIN NO: 25025929BMRJSN3002

Annexure - B to the Auditors' Report

Independent Auditor's Report on internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act')

In conjunction with our audit of the financial statements of Sundaram Brake Linings Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

1. Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ('ICAI') ('the Guidance Note'). 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 the Company's 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 Act.

2. Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 includes obtaining an understanding of such internal financial controls, 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.

3. Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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.

4. 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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. Opinion

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

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration No: 000511S

L.Ravi Sankar
Partner

Membership No: 025929
UDIN NO: 25025929BMRJSN3002

Place: Chennai
Date: 25th May, 2025

SUNDARAM BRAKE LININGS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2025

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

		(₹ in lakhs)	
	Note No.	As at 31.03.2025	As at 31.03.2024
(I) ASSETS			
1. Non-current Assets			
a) Property, Plant & Equipment	5	6,318.00	6,108.87
b) Right of use assets	5	260.93	264.20
c) Capital Work-in-progress		282.94	299.59
d) Investment Property	6	0.00	35.53
e) Other Intangible Assets	5	73.96	136.54
f) Intangible assets under development		81.60	15.30
		7,017.43	6,860.03
g) Financial Assets			
(i) Investments	7	1.07	92.94
(ii) Other financial assets	8	455.91	436.57
h) Non Current tax assets (Net)		73.64	57.22
i) Other Non-Current Assets	9	227.87	159.16
		758.49	745.89
2. Current Assets			
a) Inventories	10	4,983.89	4,457.73
b) Financial Assets			
(i) Trade Receivables	11	7,902.42	6,907.57
(ii) Cash and Cash Equivalents	12	28.91	33.48
(iii) Other financial assets	13	997.47	923.49
c) Other Current assets	14	771.80	703.37
		14,684.49	13,025.64
TOTAL		22,460.41	20,631.56
(II) EQUITY AND LIABILITIES:			
1. EQUITY			
a) Equity Share Capital	15	393.46	393.46
b) Other Equity	16	9,541.80	9,112.45
		9,935.26	9,505.91
LIABILITIES			
2. Non-current Liabilities			
a) Financial Liabilities			
(i) Borrowings	17	397.52	499.00
b) Provisions	18	78.43	66.55
c) Deferred Tax Liabilities (Net)	19	868.26	883.60
		1,344.21	1,449.15
3. Current Liabilities			
a) Financial Liabilities			
(i) Short Term Borrowings	20	5,174.29	3,923.81
(ii) Trade Payables	21		
(A) total outstanding dues of micro enterprises and small enterprises		1,199.61	1,498.27
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		3,485.55	2,921.51
(iii) Other financial Liabilities	22	1,181.97	1,131.74
b) Other Current Liabilities	23	132.66	191.86
c) Provisions	24	6.86	9.31
		11,180.94	9,676.50
TOTAL		22,460.41	20,631.56
Summary of material accounting policies	3		
See Accompanying Notes to the financial Statements			

KRISHNA MAHESH
Managing Director

SANDHYA SUBRAMANYAM
Director

V SRINIVASAN
Chief Financial Officer

As per our Report Annexed
for Brahmayya & Co;
Chartered Accountants
(FRN 000511S)

Place : Chennai
Date : May 25, 2025

VISHNU VARTHAN J R
Company Secretary & Compliance Officer

L. RAVI SANKAR
Partner
Membership No. 025929

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

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

		(₹ in lakhs)	
	Note No.	For the period ended 31.03.2025	For the year ended 31.03.2024
I. Revenue from operations	25	35,221.30	35,235.87
II. Other income	26	281.40	327.76
III. Total Revenue		35,502.70	35,563.63
IV. Expenses			
Cost of materials consumed	27	17,759.47	18,499.09
Changes in inventories of finished goods and work-in-progress	28	(718.73)	(33.55)
Employee benefit expenses	29	5,495.81	4,838.84
Finance cost	30	402.89	336.40
Depreciation and amortisation expense	5 & 6	596.76	638.37
Other expenses	31	11,352.40	10,129.99
Total expenses		34,888.60	34,409.14
V. Profit/ (Loss) before exceptional and extra-ordinary items and tax (III - IV)		614.10	1,154.49
VI. Exceptional items		-	-
VII. Profit / (Loss) Before Tax (V - VI)		614.10	1,154.49
VIII. Tax expense:			
- Current Tax		102.51	198.67
- Prior Period Tax		9.65	(19.65)
- Deferred Tax Liability (net)		(15.34)	(33.89)
IX. Profit / (Loss) for the period from continuing operations (VII - VIII)		517.28	1,009.36
X. Profit / (Loss) for the period from discontinued operations if any		-	-
XI. Profit / (Loss) for the period (IX + X)		517.28	1,009.36
XII. Other Comprehensive Income			
a) (i) Item that will not be reclassified to Profit or Loss		(11.09)	(44.48)
(ii) Income Tax relating to item that will not be reclassified to Profit or Loss		1.85	-
b) (i) Item that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to item that will be reclassified to Profit or Loss		-	-
XIII. Total Comprehensive Income for the period (XI + XII) (Comprising of Profit / (Loss) and other comprehensive Income)		508.04	964.88
XIV Earnings per equity share - Basic and Diluted Rs. (Face Value ₹ 10)	32	13.15	25.65
Summary of material accounting policies	3		
See Accompanying Notes to the financial Statements			

KRISHNA MAHESH
Managing Director

SANDHYA SUBRAMANYAM
Director

V SRINIVASAN
Chief Financial Officer

As per our Report Annexed
for Brahmayya & Co;
Chartered Accountants
(FRN 000511S)

Place : Chennai
Date : May 25, 2025

VISHNU VARTHAN J R
Company Secretary & Compliance Officer

L. RAVI SANKAR
Partner
Membership No. 025929

SUNDARAM BRAKE LININGS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

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

		(₹ in lakhs)
	For the period ended 31.03.2025	For the year ended 31.03.2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	614.10	1,154.49
Adjustments for:		
Depreciation and Amortization	596.76	638.37
Unrealised (Gain) / loss on Foreign Exchange Fluctuations (Net)	(16.78)	(36.74)
Other adjustments	(11.09)	(44.48)
Profit / (Loss) on Sale of fixed assets	(0.12)	(0.67)
Payable written back	(57.84)	(74.69)
Provision for leave encashment	9.43	1.70
Interest Income	(31.86)	(28.40)
Interest Expenses	402.89	336.40
Cash Generated Before Working Capital Changes	1,505.49	1,945.98
Movement In Working Capital		
Increase / (Decrease) in Trade Payables	271.14	(332.43)
Increase / (Decrease) in Other Financial Liabilities	88.30	(16.67)
Increase / (Decrease) in Other Liabilities	(59.20)	46.29
(Increase) / Decrease in Trade Receivables	(980.42)	26.80
(Increase) / Decrease in Inventories	(526.16)	1,109.32
(Increase) / Decrease in Other Financial Assets	(91.24)	(763.06)
(Increase) / Decrease in Other Assets	(68.43)	(258.50)
Cash Generated From Operations	139.48	1,757.73
Direct Taxes Paid (net)	(126.73)	(236.66)
Net Cash Flow From / (Used in) Operating Activities	12.75	1,521.07
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of PPE and Intangible Assets	(805.61)	(632.00)
Proceeds from Sale of PPE	2.10	2.95
Purchase of Non Current Investments /Advance	(0.21)	-
Sale of Non Current Investments	90.33	-
Interest Income Received	29.78	18.53
Net Cash Flow From / (Used in) Investing Activities	(683.61)	(610.52)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

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

		(₹ in lakhs)
	For the period ended 31.03.2025	For the year ended 31.03.2024
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from/(to) Short - Term Borrowings (Net) *	1,248.73	(602.90)
Proceeds from Long Term Borrowings	105.00	932.68
Repayment of Long Term Borrowings	(206.48)	(900.32)
Dividend paid	(78.69)	-
Interest Paid	(403.74)	(331.10)
Net Cash Flow From / (Used in) Financing Activities	664.82	(901.64)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(6.04)	8.91
Cash and Cash Equivalents at the beginning of the year	33.48	25.38
Cash and Cash Equivalents at the end of the year	27.44	34.29
Effect of changes in foreign exchange rates	0.09	(0.81)
Components of Cash and Cash Equivalents	27.53	33.48
Cash and cheques on Hand	23.34	23.85
Balances with Banks		
-On Current Accounts	4.19	9.63
-On Deposit Accounts	-	-
Cash and cash Equivalent (as per Note 12)	27.53	33.48
Non Cash Investement/Financing Activities		
*Foreign Exchange Movement	(1.75)	3.85

Notes:

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS - 7 on Cash Flow Statements.

KRISHNA MAHESH
Managing Director

SANDHYA SUBRAMANYAM
Director

V SRINIVASAN
Chief Financial Officer

As per our Report Annexed
for Brahmayya & Co;
Chartered Accountants
(FRN 000511S)

Place : Chennai
Date : May 25, 2025

VISHNU VARTHAN J R
Company Secretary & Compliance Officer

L. RAVI SANKAR
Partner
Membership No. 025929

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN EQUITY

Statement of Change in Equity As at 31 March 2025

A. EQUITY SHARE CAPITAL		₹ Lakhs
Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of current reporting period	393.46	393.46
Changes in Equity Sahare Capital due to Prior period errors	-	-
Restated balance at the beginning of current reporting period	393.46	393.46
Change in Equity Share Capital	-	-
Balance at the end of current reporting period	393.46	393.46

B. OTHER EQUITY

Particulars	Reserves and Surplus						Total
	General Reserve	Capital Reserves	Securities Premium	Retained Earnings	Equity Instrument through Other Comprehensive Income	Other Items of Other Comprehensive Income	
Balance at the beginning of current reporting period	4,849.38	0.03	1,700.43	2,562.00	0.61	0.00	9,112.45
Profit for the year				517.28			517.28
Other Comprehensive Income						(9.24)	(9.24)
Total Comprehensive Income for the Year				517.28	0.00	(9.24)	508.04
Less: Distribution to shareholders Final dividend				(78.69)			(78.69)
Transfer from retained earnings				(9.24)		9.24	0.00
Balance at the end of current reporting period	4,849.38	0.03	1,700.43	2,991.35	0.61	0.00	9,541.80
Balance at the beginning of previous reporting period	4,849.38	0.03	1,700.43	1,597.12	0.61	0.00	8,147.57
Profit for the year				1,009.36			1,009.36
Other Comprehensive Income						(44.48)	(44.48)
Total Comprehensive Income for the Year				1,009.36			1,009.36
Transfer from retained earnings				(44.48)		44.48	0.00
Balance at the end of previous reporting period	4,849.38	0.03	1,700.43	2,562.00	0.61	0.00	9,112.45

General reserve

The general reserve is a free reserve. The company transfers profits from time to time to general reserve.

Capital reserve

The Company recognises excess amount received on Reissue of forfeited shares.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

KRISHNA MAHESH Managing Director	SANDHYA SUBRAMANYAM Director	V SRINIVASAN Chief Financial Officer	As per our Report Annexed for Brahmayya & Co; Chartered Accountants (FRN 000511S)
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Place : Chennai
Date : May 25, 2025

VISHNU VARTHAN J R
Company Secretary & Compliance Officer

L. RAVI SANKAR
Partner
Membership No. 025929

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Note 1. Corporate Information

Sundaram Brake Linings Limited ('the company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at Padi, Chennai - 600 050, Tamil Nadu, India. The Company has its primary listings on the BSE Limited and National Stock Exchange of India Limited, in India. The company manufactures asbestos free friction materials. The company has five manufacturing plants located in Tamil Nadu.

The financial statements were approved by the Board of Directors and authorised for issue on May 25, 2025

Note 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Companies (Accounts) Rules, 2014, as amended, and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

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

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and time elapsed between deployment resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

The amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III, unless otherwise stated.

1. Statement of compliance:

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2. Use of estimates and judgements:

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty, and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- Useful lives of property, plant and equipment and intangible assets: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- Impairment testing: Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- Income Taxes: Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and their tax charge in the statement of profit or loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the statement of profit or loss.

- Defined benefit plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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, etc. 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 Balance Sheet date.

Note 3. Summary of material accounting policies:

The material accounting policies adopted in the preparation of these financial statements are listed below. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

(a) Investment property:

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), Investment property is stated at deemed cost/ cost, net of

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

accumulated depreciation. Cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

The Company depreciates building component of investment property on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised

(b) Property, Plant and Equipment:

Property, plant and equipment are stated at deemed cost/ cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including duties and taxes (other than those refundable), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value at 5% of Cost.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 expects for Tools & Moulds - based on experience, the useful life of Tools and Moulds considered to be 15 years.

(c) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of Technical Knowhow and computer software are amortized on a straight-line method over a period of four year and ten years respectively, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

(d) Leases:

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

Where the Company is lessee

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

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of profit and loss.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leasehold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(e) Impairment of assets:

A. Financial assets

The Company assesses at each date of balance sheet whether a financial asset is impaired and measures the required expected credit losses through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset such transactions can be identified, an appropriate valuation model is used is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Inventories:

Inventories are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Cost includes the cost of fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. In the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Trade discounts and rebates are deducted in determining the cost of purchase.

The cost of inventories is based on the weighted average

Stores and Spares and Tools	At weighted average cost
Components	At weighted average cost
Work in progress	At Cost
Finished Goods	At Lower of cost and net realisable value
Stock in trade	At Cost

Stocks of stores, spares and tools, components and stock in trade are valued at cost and not written down below cost to net realisable value since the finished products and the services in which they are to be incorporated are expected to be sold / billed at or above cost.

(g) Provisions and contingent liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

(h) Revenue recognition:

Revenue from contracts with customers

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration and consideration payable to the customer, if any.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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

Export incentive entitlement

Export incentive entitlements include duty credit scrips are recognised when there is a reasonable assurance that the Company has complied with the conditions attached to them and it is reasonably certain that the ultimate realisation will be made. These are recognized in the period in which the right to receive the same is established, which generally coincides with the period during which the exports eligible for incentives are made.

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(i) Foreign currency translation

Foreign currency transactions and balances

- i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
- iii) Exchange differences - The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as income or as expense in the period in which they arise.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(j) Employee Benefits:

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other benefits, comprising of discretionary Long Service Awards and Leave Travel Allowances, are determined on an undiscounted basis and recognised based on the entitlement thereof.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Re-measurements because of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Retirement benefits in the form of state governed Employee Provident Fund and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Superannuation, Certain employees of the company are participants in a defined contribution plan. The Company recognizes contribution payable to the Scheme as expenditure, when an employee renders the related service. The Company has no further obligations to the Plan beyond its contribution which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(k) **Borrowing Costs:**

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

(l) **Income Taxes:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or 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.

(i) **Current tax:**

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) **Deferred tax :**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences in the foreseeable future and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date 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 deferred income tax asset to be utilised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

(m) Financial Instruments:

Financial Assets:

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and measurement:

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. However, trade receivable that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Amortised cost is calculated by considering any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to loans and advances, deposits, trade, and other receivables.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate including derivatives that are liabilities, shall be subsequently measured at fair value.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 – “Financial Instruments” are satisfied. For liabilities designated as Fair Value through Profit and Loss (“FVTPL”), fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income (“OCI”). These gains/losses are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (“EIR”). The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

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 original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(n) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year including potential equity shares, if any, on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(o) Cash and cash equivalents and cash flow statement

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash, and which are subject to only an insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of three months or less.

Note 4. Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

5. PROPERTY, PLANT AND EQUIPMENT

Description	Property, Plant and Equipment								Right of use assets	Other Intangible Assets		
	Free hold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total	Leasehold Land	Intangibles (Software)	Technical Knowhow	Total
Cost of Assets												
As at 01-04-2023	107.01	1,582.83	8,334.12	18.64	25.45	37.22	40.36	10,145.63	293.51	25.68	128.19	153.87
Additions	0.00	0.00	264.31	14.55	4.16	4.69	17.85	305.56	0.00	163.69	0.00	163.69
Sub-total	107.01	1,582.83	8,598.43	33.19	29.61	41.91	58.21	10,451.19	293.51	189.37	128.19	317.56
Sales / deletion	0.00	0.00	0.00	0.00	0.00	0.00	4.76	4.76	0.00	0.00	0.00	0.00
Total	107.01	1,582.83	8,598.43	33.19	29.61	41.91	53.45	10,446.43	293.51	189.37	128.19	317.56
Depreciation / Amortisation												
Upto 31-03-2023	0.00	484.52	3,180.48	18.13	24.66	30.07	26.98	3,764.84	26.04	16.61	105.06	121.67
For the year	0.00	68.74	499.72	0.90	0.26	2.28	3.56	575.46	3.27	36.22	23.13	59.35
Sub-total	0.00	553.26	3,680.20	19.03	24.92	32.35	30.54	4,340.30	29.31	52.83	128.19	181.02
Written off	0.00	0.00	0.00	0.00	0.00	0.00	2.74	2.74	0.00	0.00	0.00	0.00
Depreciation / Amortisation Total	0.00	553.26	3,680.20	19.03	24.92	32.35	27.80	4,337.56	29.31	52.83	128.19	181.02
As on 31-03-2024	107.01	1,029.57	4,918.23	14.16	4.69	9.56	25.65	6,108.87	264.20	136.54	0.00	136.54
Cost of Assets												
As at 01-04-2024	107.01	1,582.83	8,598.43	33.19	29.61	41.91	53.45	10,446.43	293.51	189.37	128.19	317.56
Additions	0.00	28.58	642.49	17.84	1.07	11.21	0.00	701.19	0.00	5.32	0.00	5.32
Transferred From Investment Property	26.65	18.13	0.00	0.00	0.00	0.00	0.00	44.78	0.00	0.00	0.00	0.00
Sub-total	133.66	1,629.54	9,240.92	51.03	30.68	53.12	53.45	11,192.40	293.51	194.69	128.19	322.88
Sales / deletion	0.00	0.00	2.60	0.00	0.00	0.00	0.00	2.60	0.00	0.00	0.00	0.00
Total	133.66	1,629.54	9,238.32	51.03	30.68	53.12	53.45	11,189.80	293.51	194.69	128.19	322.88
Depreciation / Amortisation												
Upto 31-03-2024	0.00	553.26	3,680.20	19.03	24.92	32.35	27.80	4,337.56	29.31	52.83	128.19	181.02
Transferred From Investment Property	0.00	9.54	0.00	0.00	0.00	0.00	0.00	9.54	0.00	0.00	0.00	0.00
For the year	0.00	69.29	423.94	13.87	3.87	7.57	6.76	525.30	3.27	67.90	0.00	67.90
Sub-total	0.00	632.09	4,104.14	32.90	28.79	39.92	34.56	4,872.40	32.58	120.73	128.19	248.92
Sales / deletion	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00
Depreciation / Amortisation Total	0.00	632.09	4,103.54	32.90	28.79	39.92	34.56	4,871.80	32.58	120.73	128.19	248.92
As on 31-03-2025	133.66	997.45	5,134.78	18.13	1.89	13.20	18.89	6,318.00	260.93	73.96	-	73.96

- There are no immovable properties for which title deeds are not in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
- The Company has not revalued its Property, Plant and Equipment during the year.
- Refer note 36 for capital commitments

Ageing Schedule	Capital work in progress		Intangible Assets under development	
Particulars	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
< 1 Years	135.43	275.85	-	15.30
1 - 2 Years	147.51	4.74	81.60	-
2 - 3 Years	-	19.00	-	-
More than 3 Years	-	-	-	-
Total	282.94	299.59	81.60	15.30

Note: 1. There are no Projects temporarily suspended.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

	As at 31.03.2025	As at 31.03.2024
(₹ in lakhs)		
6 INVESTMENT PROPERTY		
a) Residence Apartment		
Residence Apartment at Chennai (RA Puram)	44.78	44.78
Less : Transferred to Property, Plant and Equipment	(44.78)	
Opening Accumulated Depreciation	(9.25)	(8.96)
Depreciation for the year	(0.29)	(0.29)
Less : Transferred to Property, Plant and Equipment	(9.54)	(9.25)
Closing Accumulated Depreciation	-	
	-	35.53
Reclassified from "Investment Property" to "Property, Plant and Equipment" based on the usage of the property		
NON-CURRENT ASSETS		
7 NON-CURRENT INVESTMENTS		
Unquoted Investments - Non-Trade		
a) Investments in equity instruments: *		
i. 10,257 equity shares (Previous Year 8,157 equity shares) of ₹ 10/- each fully paid up of Engineered Power Resources India Private Limited (cost ₹ 1,02,570/-)	1.06	0.85
ii. Nil Class "C" equity shares (Previous Year - 1,100) of ₹ 10/- each with a premium of ₹ 126/- per share fully paid up of Suryadev Alloys & Power Private Limited (cost ₹ 1,49,600/-)	-	2.08
iii. Nil Class "B" equity shares (Previous Year - 3,00,000) of ₹ 10/- each with a premium of ₹ 20/- per share fully paid up of Suryadev Alloys & Power Private Limited (cost ₹ 90,00,000/-)	-	90.00
	1.06	92.93
b) Others:		
500 shares (Previous Year 500 shares) of ₹ 1/-each fully paid up of TVS Co-operative Stores Limited (cost ₹ 500/-)	0.01	0.01
* The right to sell / transfer these shares are subject to terms and conditions of respective shareholder agreement	1.07	92.94
8 OTHER FINANCIAL ASSETS		
a) Security Deposits	442.22	420.38
b) Loans and Advances to Employees	13.69	16.19
	455.91	436.57
Loans Receivables which have significant increase in credit risk	-	-
Loans Receivables – credit impaired	-	-
The Company's exposure to credit risk and market risk are disclosed in note 41.		
9 OTHER NON-CURRENT ASSETS		
a) Capital Advances	95.22	26.51
b) Cenvat / VAT / Service Tax Credit Receivable	104.61	104.61
c) Taxes Paid Under protest	28.04	28.04
	227.87	159.16

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

	As at 31.03.2025	As at 31.03.2024
(₹ in lakhs)		
CURRENT ASSETS		
10 INVENTORIES		
a) Raw Materials:		
i) In stock	1,709.46	1,782.08
ii) In transit	76.66	251.93
b) Work-in-progress	284.18	136.11
c) Finished goods	2,333.03	1,762.37
d) Spares and Stores	403.46	389.00
e) Loose tools	177.10	136.24
	4,983.89	4,457.73
Inventories other than Finished Goods are valued at cost on Weighted average basis. Finished goods are valued at cost or net realisable value whichever is lower. Work-in-progress is valued at raw material cost plus cost of conversion excluding interest.		
11 TRADE RECEIVABLES		
(Unsecured, considered good)		
a) More than six months	59.93	121.51
b) Others	7,842.49	6,786.06
	7,902.42	6,907.57
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	54.20	37.83
Less: Impairment loss allowance	(54.20)	(37.83)
	7,902.42	6,907.57
Of the above , trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note 40)	102.53	185.48
Less: Impairment loss allowance	-	-
	102.53	185.48
Movement in loss allowance on trade receivables		
Opening balance	37.83	-
Amount written off	16.37	37.83
Loss allowance / (reversal), net	-	-
Closing balance	54.20	37.83
The Company's exposure to credit risks are disclosed in note 41		

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)	
Trade Receivable Ageing Schedule:			
		March 31, 2025	March 31, 2024
		Undisputed Trade receivable	Undisputed Trade receivable
		Considered good Credit impaired	Considered good Credit impaired
Outstanding for the following periods from due date of payment			
Not due		6,558.09 -	5,212.13 -
Less than 6 Months		1,284.40 -	1,573.92 -
6 Months to 1 Year		51.65	63.84
1 - 2 Years		2.75 -	44.78 -
2 - 3 Years		3.99 -	7.25 -
More than 3 Years		1.54 -	5.64 -
Total		7,902.42 -	6,907.57 -
Note: There are no disputed trade receivable.			
12 CASH AND CASH EQUIVALENTS			
a) Balances with banks			
i) on Current Account with banks		4.19	9.63
		4.19	9.63
ii) Cash on Hand		23.34	23.85
		27.53	33.48
b) Other Balances			
i) Earmarked balances with banks - for unclaimed dividends		1.38	-
		1.38	-
		28.91	33.48
The company's exposure to credit risk and material risk are disclosed in note 41.			
13 OTHER FINANCIAL ASSETS			
a) Loans and advances to related parties		-	-
b) Others			
Interest receivable		24.42	22.34
Loans and Advances to Employees		15.80	14.93
Claims receivable		4.90	80.99
Insurance claim receivable		952.35	805.23
		997.47	923.49
Loans Receivables which have significant increase in credit risk		-	-
Loans Receivables – credit impaired		-	-

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

	March 31, 2025	March 31, 2024
14 OTHER CURRENT ASSETS		
a) Loans and advances to related parties	-	-
b) Others		
i) Prepaid Expenses	256.60	345.50
ii) Advances for services / goods	49.02	124.75
iii) Goods and Services Tax - Input Credit / TDS	439.18	225.40
iv) Export incentive receivable	27.00	7.72
	<u>771.80</u>	<u>703.37</u>
Export incentive balance		
Opening balance-1st April	7.72	242.00
Income accrued during the year	160.84	138.26
Amount received/Scrip Utilised during the year	141.56	372.54
Closing balance	<u>27.00</u>	<u>7.72</u>

	31.03.2025	31.03.2024
15 SHARE CAPITAL		
Authorised		
50,00,000 equity shares of ₹ 10/- each	500.00	500.00
Issued, Subscribed and Paid-up		
39,34,575 equity shares of ₹ 10/- each fully paid up	<u>393.46</u>	<u>393.46</u>

- The Company has issued only one class of shares referred to as equity shares having a par value of ₹ 10/-.
- Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividends in Indian Rupees.
- Except interim dividend which is declared and paid based on the decision of the Board of Directors, all other dividends are proposed by the Board of Directors and paid on approval of the shareholders at the Annual General Meeting.
- The Board of Directors of the Company recommended a dividend of ₹ 1.50/- per share (15%) on the face value of ₹ 10/- per share for the financial year 2024-25, subject to the approval of the shareholders, at the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- During the last five years immediately preceding the date of the Balance Sheet, the Company has not issued any shares as bonus shares or without payment being received in cash or has bought back any shares.
- During the financial year Nil (Previous Year Nil) shares pertaining to the share holders, whose dividend were unclaimed for seven years, were transferred to Investor Education and Protection Fund (IEPF) Account.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

- i) Following are the shareholders holding more than 5% equity shares and the number of equity shares held by each of them:

Name of the Shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of shares held	% of total shares	No. of shares held	% of total shares
Madurai Alagar Enterprises Private Limited	12,85,290	32.67	12,85,290	32.67
Krishna Mahesh	4,12,661	10.49	5,44,608	13.84
Shrimathi Mahesh	2,43,804	6.20	2,57,412	6.54

- j) Shares held by promoters at the end of

	As at 31.03.2025		Changes during the year	
	No.	% holding	No.	% holding
Equity shares of ₹ 10 each fully paid				
Mahesh K	-	-	(54,409)	-
Shrimathi Mahesh	2,43,804	6.20	(13,608)	-
Rajarajeswari Farms (P) Ltd	1,77,988	4.52	-	-
Alagar Farms (P) Ltd	1,95,895	4.98	-	-
Krishna Mahesh	4,12,661	10.49	(1,31,947)	-
Shripriya Mahesh	1,86,356	4.74	1,86,356	-
Shrikirti Mahesh	13,608	0.35	13,608	-
Madurai Alagar Enterprises Private Limited	12,85,290	32.67	-	-
	25,15,602	63.94		

Shares held by promoters at the end of

	As at 31.03.2024		Changes during the year	
	No.	% holding	No.	% holding
Equity shares of Rs.10 each fully paid				
Usha Krishna *	90	0.00	-	-
Arathi Krishna*	120	0.00	-	-
Suresh Krishna*	480	0.01	-	-
Sundram Fasteners Investments Limited*	7,800	0.20	-	-
Mala Ramesh*	9,570	0.24	-	-
Krishna Ramesh*	10,081	0.26	-	-
Mridula Ramesh*	10,092	0.26	-	-
Urmila Ramesh *	11,049	0.28	-	-
TVS Upasana Limited*	13,900	0.35	-	-
Mahesh K	54,409	1.38	-	-
Shrimathi Mahesh	2,57,412	6.54	-	-
Rajarajeswari Farms (P) Ltd	1,77,988	4.52	-	-
Alagar Farms (P) Ltd	1,95,895	4.98	-	-
Krishna Mahesh	5,44,608	13.84	-	-
Madurai Alagar Enterprises Private Limited	12,85,290	32.67	-	-
	25,78,784	65.54		

* Reclassified as non-Promoters as per approval received from National Stock Exchange as per their letter dated January 27, 2025.

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

	As at 31.03.2025	As at 31.03.2024
16 RESERVES AND SURPLUS		
a) Capital Reserves		
i) Share premium account		
As per last Balance Sheet	1,700.43	1,700.43
ii) Reissue of forfeited shares		
As per last Balance Sheet	0.03	0.03
Total (i + ii)	1,700.46	1,700.46
b) Revenue Reserves		
i) General Reserve		
As per last Balance Sheet	4,849.38	4,849.38
	4,849.38	4,849.38
ii) Retained Earnings		
As per last Balance Sheet	2,562.00	1,597.12
Profit After Tax for the year	517.28	1,009.36
Transfer (to) Other Comprehensive Income	(9.24)	(44.48)
Less: Distribution to shareholders _Final dividend	(78.69)	-
	2,991.35	2,562.00
iii) Other Comprehensive Income		
a) To be reclassified to Profit & Loss		
As per last Balance Sheet	0.61	0.61
Changes in fair value of investments	-	-
	0.61	0.61
b) Not to be reclassified to Profit & Loss		
As per last Balance Sheet	-	-
Actuarial gain / (loss) on Gratuity	(11.09)	(44.48)
Less: Deferred Tax on the above	1.85	-
Less :Transfer from retained earnings	9.24	44.48
	-	-
Total (i + ii + iii)	7,841.34	7411.99
	9,541.80	9112.45

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

	As at 31.03.2025	As at 31.03.2024
(₹ in lakhs)		
NON-CURRENT LIABILITIES		
17 BORROWINGS		
Secured Borrowings		
Term Loan from a Banks:		
From Standard Chartered Bank, Chennai secured by exclusive charge on assets funded and the Loan repayable in 42 monthly instalments from March 2024 to August 2027	292.52	499.00
From State Bank of India, Chennai secured by exclusive charge on assets funded and the Loan repayable in 20 quarterly instalments starting from April 2026	105.00	
	<u>397.52</u>	<u>499.00</u>
18 LONG-TERM PROVISIONS		
On account of employee benefits		
Provision for Leave Encashment	78.43	66.55
	<u>78.43</u>	<u>66.55</u>
19 DEFERRED TAX LIABILITIES (NET)		
a) Deferred Tax Liability		
On account of depreciation	925.18	932.53
b) Deferred Tax Asset		
On account of employee benefits	(56.92)	(48.93)
	<u>868.26</u>	<u>883.60</u>
CURRENT LIABILITIES		
20 BORROWINGS		
a) Current maturities of long term debt:		
i. From Standard Chartered Bank (referred to in 17 above)	206.49	206.49
ii. Cash Credit from Standard Chartered Bank and State Bank of India and Export Packing Credit from State Bank of India secured by pari pasu charge on current assets, fixed assets and on the Industrial Property located at Padi, Chennai	4,967.80	3,717.32
	<u>5,174.29</u>	<u>3,923.81</u>
Other notes		
a) Term loans were applied for the purpose they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Company.		
b) Quarterly returns or statements of current assets filed by the Company for the sanction of working capital loans with banks or financial institutions are not materially different with that of books of accounts.		
c) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.		

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

21 TRADE PAYABLES

	As at 31.03.2025	As at 31.03.2024
(A) Total outstanding dues of micro enterprises and small enterprises	1,199.61	1,498.27
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,485.55	2,921.51
	4,685.16	4,419.78
Of the above, trade payable to related parties (refer note 40)	255.57	255.64
Total outstanding dues of Micro, Small and Medium Enterprises:		
a) Principal amount remaining unpaid (includes capital creditors)	1,278.02	1,498.27
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e) Interest accrued and remaining unpaid	-	-
f) 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	-	-

Trade Payable Ageing Schedule:

	March 31, 2025 Undisputed dues		March 31, 2024 Undisputed dues	
	MSME	Others	MSME	Others
a) Un-billed and not due	-	469.87	-	112.14
	-	469.87	-	112.14
b) Outstanding for the following periods from due date of payment				
Not due	785.29	1,699.59	1,497.95	1,822.01
Less than 1 Year	414.32	1,316.09	0.32	974.60
1 - 2 Years	-	-	-	0.88
2 - 3 Years	-	-	-	2.32
More than 3 Years	-	-	-	9.56
	1,199.61	3,015.68	1,498.27	2,809.37
	1,199.61	3,485.55	1,498.27	2,921.51

Note: There are no disputed trade payables

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

22 OTHER FINANCIAL LIABILITIES

	As at 31.03.2025	As at 31.03.2024
a) Interest Accrued and but not due	4.45	5.30
b) Salaries and other benefits Payable	287.23	338.23
c) Amount payable in respect of Purchase of Fixed Assets	137.81	118.57
d) Liability towards contracts with customers	261.91	303.15
e) Unclaimed dividends (refer note 12)	1.38	-
f) Other Payable	489.19	366.49
	<u>1,181.97</u>	<u>1,131.74</u>

Liability towards contracts with customers includes amount payable to customers for volume discounts, incentives, price difference and rebates.

The Company's exposure to currency risk and liquidity risk related to other financial liability are disclosed in note 41.

23 OTHER CURRENT LIABILITIES

a) Statutory dues	119.29	147.23
b) Advances from customers	13.37	44.63
	<u>132.66</u>	<u>191.86</u>

Advances from customers is recognised when payment is received before the related performance obligation is satisfied.

This includes advances received from the customer towards Sale of goods. Revenue is recognised once the performance obligation is met. Revenue recognised during the period that was included in the opening balance of Customer Advances amounted to ₹ 44.63 Lakhs

24 SHORT-TERM PROVISIONS

a) Provision for employee benefits		
Provision for Leave Encashment	6.86	9.31
	<u>6.86</u>	<u>9.31</u>

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)
	For the year ended 31.03.2025	For the year ended 31.03.2024
25 REVENUE FROM OPERATIONS		
a) Total revenue from contracts with customers	34,916.23	34,960.58
b) Other operating revenue		
i) Export duty drawback and other incentives*	160.84	138.26
ii) Scrap Sales	129.42	58.41
iii) Development Charges	14.81	78.62
	305.07	275.29
	35,221.30	35,235.87
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
(The Company derives its revenue from the transfer of goods at a point of time)		
Original Equipment	13,264.15	15,522.08
After Market	7,480.28	6,868.63
Export	14,720.26	13,150.93
	35,464.69	35,541.64
Contract balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers, as applicable		
Receivables which are included in trade receivables (refer note 11)	7,902.42	6,907.57
Contract liabilities - advance from customers (refer note 23)	13.37	44.63
Invoices are issued according to contractual terms which is specific to each customers and is usually payable within 30 days to 120 days		
Reconciliation of revenue recognized with the contracted price is as follows:		
Contracted price	35,464.69	35,541.64
Reductions towards variable consideration components	548.46	581.06
Revenue recognised	34,916.23	34,960.58
The reduction towards variable consideration comprises of volume discounts, incentives, and rebates etc.		

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)
	For the year ended 31.03.2025	For the year ended 31.03.2024
26 OTHER INCOME		
a) Interest Income	31.86	28.40
b) Gain on foreign currency transactions	190.64	172.59
c) Profit on sale of PPE	0.12	0.67
d) Insurance Claim	0.82	49.02
e) Payable Written back	57.84	74.69
f) Others	-	2.28
g) Other Non-Operating Revenue		
i) Rent	0.12	0.11
	<u>0.12</u>	<u>0.11</u>
	<u>281.40</u>	<u>327.76</u>
27 COST OF MATERIALS CONSUMED - RAW MATERIALS AND COMPONENTS		
Opening Stock : Raw materials and Components	1,782.08	2,738.01
Add: Purchase of Raw Materials and Components	17,686.85	17,979.38
Less : Insurance Claim	-	(436.22)
	<u>19,468.93</u>	<u>20,281.17</u>
Less: Closing Stock- Raw materials and Components	1,709.46	1,782.08
	<u>17,759.47</u>	<u>18,499.09</u>
Raw materials comprise of resins, glass fibre and other metals and chemicals		
28 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
a) Opening Stocks:		
i) Work in progress	136.11	343.41
ii) Finished goods	1,762.37	1,749.01
	<u>1,898.48</u>	<u>2,092.42</u>
b) Closing Stocks:		
i) Work in progress	284.18	136.11
ii) Finished goods	2,333.03	1,762.37
	<u>2,617.21</u>	<u>1,898.48</u>
Less : Insurance Claim	-	(227.49)
Net (increase)/decrease	<u>(718.73)</u>	<u>(33.55)</u>

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)
	For the year ended 31.03.2025	For the year ended 31.03.2024
29 EMPLOYEE BENEFIT EXPENSES		
a) Salaries, wages, bonus	4,292.44	3,799.96
b) Contribution to Employee benefit funds:		
i) Provident Fund	220.86	204.04
ii) Gratuity Fund	43.50	39.05
iii) Other funds	53.19	52.66
c) Staff welfare expenses	885.82	743.13
	<u>5,495.81</u>	<u>4,838.84</u>
30 FINANCE COST		
a) Interest expense	402.89	336.40
	<u>402.89</u>	<u>336.40</u>
31 OTHER EXPENSES		
a) Stores consumed : Stores and spares		
i) Stores and Spares	1,323.53	1,204.80
ii) Loose Tools	469.02	355.43
	1,792.55	1,560.23
b) Power and Fuel	3,283.09	3,320.61
c) Rent	37.38	20.46
d) Rates and Taxes	232.62	186.12
e) Insurance	214.45	120.47
f) Repairs to Building	494.41	488.37
g) Repairs to Machinery	672.38	623.93
h) Other Repairs	95.99	116.85
i) Travelling expenses	490.43	467.68
j) Packing and Forwarding	1,885.92	1,683.82
k) Advertisement and Publicity	213.21	81.59
l) Royalty	4.50	-
m) Corporate Social Responsibility expenditure	4.18	-
n) Sitting fees	2.45	2.65
o) Auditors' remunerations		
i) As auditors	10.50	10.50
ii) Tax Audit Fees	2.00	2.00
iii) Other services	1.00	1.00
iv) Reimbursement of expenses	0.05	0.52
	13.55	14.02
p) Postage and Telephones	42.66	59.11
q) Research and Development expenses - refer Note no. 34	504.20	360.22
r) Commission on Sales	290.19	187.49
s) Professional and legal Fee	570.36	398.51
t) Loss due to Flood	-	40.99
u) Bank Charges	122.77	69.85
v) Printing and stationery	55.68	54.71
w) Donation	0.98	1.04
x) Security Charges	242.69	205.62
y) Miscellaneous expenses	85.76	65.65
	<u>11,352.40</u>	<u>10,129.99</u>

Professional & Legal fee includes legal cost of ₹167 lacs incurred to contest a breach of contract by a party to an existing signed agreement

The Company has ventured into new composite business and the expenditure incurred under various heads in connection with the development was ₹ 480 lacs (net of Revenue generated).

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

32 EARNING PER SHARE

Earning per share is calculated by dividing the profit attributable to shareholders by the number of equity shares outstanding during the year. The earning per share is calculated as follows:

	For the year ended 31.03.2025	For the year ended 31.03.2024
Profit / (Loss) after tax - ₹ lacs	517.28	1,009.36
Number of Equity shares	39,34,575	39,34,575
Face value per share	₹ 10	₹ 10
Earnings per share (EPS)	13.15	25.65

33 SEGMENT REPORTING:

The Primary Operation of the Company relate only to one segment viz., friction materials.

Geographical Segements:

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Company has assessed that they carry same risk and rewards. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India include Sales to customers located within India.
- Sales outside India include sales to customers located outside India

Secondary Segment Reporting (by Geographical Segments)

The following is the distribution of the Company's total revenue of operations by geographical market, regardless of where the goods were produced:

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Within India	20,744.43	22,390.71
Outside India	14,720.26	13,150.93
Total	35,464.69	35,541.64

The following table shows the carrying amount of trade receivables by geographical segments

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Within India	4,509.20	4,024.62
Outside India	3,393.22	2,882.95
Total	7,902.42	6,907.57

All other assets (other than trade receivables) used in the Company's business are located in India and are used to cater to both the categories of customers (within India and outside India), accordingly the total cost incurred during the year to acquire Plant & Equipment and intangible assets has not been disclosed.

₹ Lakhs

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)
	For the year ended 31.03.2025	For the year ended 31.03.2024
34 EXPENDITURE ON RESEARCH AND DEVELOPMENT		
(a) Capital Expenditure	-	-
(b) Revenue Expenditure		
- Raw Material & Components consumed	40.04	38.55
- Stores & Tools consumed	35.08	54.78
- Power cost	76.76	79.57
- Travelling expenses	10.31	8.48
- Product development expenses	58.76	24.51
- Other expenses	242.49	185.13
R&D Revenue Expenditure excluding employee benefit expenses	463.44	391.02
Add : R&D employees' Salaries, Wages & Bonus included in Employee Benefit Expenses under Note No.29	198.45	228.91
Total R&D Revenue Expenditure	661.89	619.93
Total R&D Expenditure	661.89	619.93

35 EMPLOYEE BENEFITS

Defined Contribution Plans

(i) Superannuation

Eligible employees receive pension from Life Insurance Corporation of India, which is a defined contribution plan. Monthly Pension is paid after retirement, death, incapacitation or termination of employment for the life time and amount lying credit after the death is paid to the nominee. Company make every year contributions to Life Insurance Corporation of India (Group Superannuation policy) at specified percentage of the covered employee's salary.

The Company recognized ₹ 24.78 lakhs (Previous year ₹ 23.31 Lakhs) for superannuation contribution in the profit and loss account

- (ii) In respect of the State Plans (Employee State Insurance), an amount of ₹ 24.78 Lakhs (Previous year : ₹ 29.95 Lakhs) has been recognized as expenditure in the Statement of Profit and Loss.

(ii) Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employees and the Company make monthly contributions to a government administered pension fund on behalf of its employees.

The Company recognized ₹ 220.86 Lakhs (Previous Year ₹ 204.04 Lakhs) for provident fund contribution in the Statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Defined Benefit Plans

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the Company contributes all the ascertained liabilities to Life Insurance Corporation of India (Group gratuity policy).

₹ Lakhs

	Gratuity	
	For the year ended 31.03.2025	For the year ended 31.03.2024
Net Employee benefit expense recognized in the employee cost in statement of profit & loss account		
Current service cost	46.64	41.98
Interest cost on benefit obligation	42.86	39.41
Expected return on plan assets	(44.62)	(43.08)
Sub Total	44.88	38.31
Recognised in Other Comprehensive Income		
Net actuarial (gain)/loss recognized in the year		
i. Demographic Assumptions on obligation	-	-
ii. Financial Assumptions on obligation	7.34	42.24
iii. Experience Adjustments on obligation	-	-
iv. Financial Assumptions on plan assets	3.16	2.24
Sub Total	10.50	44.48
Net benefit expense	55.38	82.79
<u>Balance Sheet</u>		
Benefit asset / liability		
Present value of defined benefit obligation	681.83	644.90
Fair value of plan assets	661.43	660.47
Assets / (Liability) recognized in the balance sheet	(20.40)	15.57
<u>Change in the present value of the defined benefit obligation</u>		
Opening defined benefit obligation	644.91	568.79
Benefit transferred in	-	-
Benefit transferred Out	-	-
Benefits paid	(59.91)	(47.52)

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

₹ Lakhs

	Gratuity	
	For the year ended 31.03.2025	For the year ended 31.03.2024
Expenses Recognised in Statement of Profit and Loss Account		
Current service cost	46.63	41.98
Interest cost on benefit obligation	42.86	39.41
Recognised in Other Comprehensive Income	-	-
Actuarial (gain)/loss on obligation	7.34	42.25
Closing defined benefit obligation	681.83	644.91
<u>Change in the fair value of plan assets</u>		
Opening fair value of plan assets	660.47	572.05
Contributions by employer	19.41	95.09
Contributions transfer in	-	-
Benefits paid	(59.91)	(47.51)
Expenses Recognised in Profit and Loss Account		
Expected return	44.62	43.08
Recognised in Other Comprehensive Income		
Actuarial (gain) / loss on plan assets	(3.16)	(2.24)
Closing fair value of plan assets	661.43	660.47
Investment details of the plan assets: Company has deposited with Life Insurance Corporation of India (Group gratuity policy)		
<u>Assumptions</u>		
Discount Rate (%)	6.77%	6.97%
Estimated Rate of Return on Plan Assets	6.77%	6.97%
Attrition Rate p.a. (depending on age)	2.00%	2.00%
Expected rate of salary increase (%)	5.00%	5.00%
Expected Average Remaining Service (years)	16.80	17.00
Expected Average Remaining Service/mortality and withdrawal (years)	-	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		₹ Lakhs
	For the year ended 31.03.2025	For the year ended 31.03.2024
Expected cash flow for the following year		
Expected employer contribution	NA	NA
Expected total benefits payments		
Year 1	69.10	65.92
Year 2	74.17	56.63
Year 3	80.25	81.59
Year 4	61.41	42.00
Year 5	38.24	58.38
Next 5 Years	296.70	311.67

Sensitivity analysis of the defined benefit obligation	0.5% Increase		0.5% Decrease	
Particulars	2025	2024	2025	2024
Impact of the change in discount rate	653.24	617.62	712.67	674.32
Impact of the change in salary increase	713.50	675.18	652.23	616.60

(iii) Leave encashment

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on the Actuarial certificate.

		₹ Lakhs
	For the year ended 31.03.2025	For the year ended 31.03.2024
36 CAPITAL AND OTHER COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account other than investment property and not provided for	85.89	26.58

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		₹ Lakhs
Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
37 CONTINGENT LIABILITIES - NOT PROBABLE AND THEREFORE NOT PROVIDED FOR		
A. Claims disputed by the company		
a) Claims against the company not acknowledged as debt		
1) Sales Tax under dispute	23.74	23.74
2) Excise Duty (Disallowance of Cenvat credit) #	6.23	6.23
3) Liability towards Labour cases	162.74	7.30
# ₹ 6.23 lakhs was paid as deposit towards disallowance of cenvat credit.		
4) Income Tax under dispute		
i) The Company had received Assessment order for Assessment year 2018-19 making disallowance of ₹ 3.79 Lakhs and addition of ₹ 73.39 lakhs towards reduction in profit because of application of Income Computation & Disclosure Standards, thereby reducing the loss carried forward. The Company has filed an appeal with the first appellate authority and the same is pending for decision.		
ii) The Company had received Assessment order for Assessment year 2017-18 making disallowance of ₹ 0.02 Lakh and addition of ₹ 37.87 lakhs towards interest under section 244A, thereby reducing the loss carried forward. The Company has filed an appeal with the first appellate authority and the same is pending for decision.		
iii) The Company had filed appeals with the first appellate authority against the Assessment Orders received for Assessment Year 2013-14 and 2014-15 making disallowance of expenditure for ₹ 143.65 lakhs and ₹ 85.29 lakhs respectively, there by reducing the loss carried forward which are pending for decision.		
b) Guarantees		
1) Bank Guarantee	-	6.75

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

		(₹ in lakhs)
		₹ Lakhs
Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
38 INCOME TAX EXPENSE		
a) Income tax expense in the statement of profit and loss comprises:		
Current tax	102.51	198.67
Excess provision for Tax - Prior Period Tax	9.65	(19.65)
Deferred tax	(15.34)	(33.89)
	<u>96.82</u>	<u>145.13</u>
Decrease (increase) in deferred tax assets	(7.99)	46.65
(Decrease) increase in deferred tax liabilities	(7.35)	(23.41)
Total deferred tax expenses/(benefit)	<u>(15.34)</u>	<u>(33.89)</u>
Income tax expense	<u>96.82</u>	<u>145.13</u>
b) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:		
Profit/(Loss) from the operation before income tax expenditure	614.10	1,154.49
Tax at Indian tax rate 16.692% (Previous Year 17.472%) (Minimum Alternate Tax)	102.51	201.71
Excess provision for Tax - Prior Period Tax	9.65	(19.65)
Others	-	(3.04)
Income tax expense	<u>112.16</u>	<u>179.02</u>
c) The following table provides the details of income tax assets and income tax liabilities as at March 31, 2025 and March 31, 2024:		
Income tax assets	372.97	255.89
Income tax liabilities	<u>299.33</u>	<u>198.67</u>
Net current income tax asset/ (liability) at the end	<u>73.64</u>	<u>57.22</u>
d) The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2025 and March 31, 2024 is as follows:		
Net current income tax asset/ (liability) at the beginning	57.22	(0.42)
Income tax paid (net)	126.73	236.66
Excess provision for Tax - Prior Period Tax	(9.65)	19.65
Current income tax expense	(102.51)	(198.67)
Income tax on other comprehensive income	1.85	-
Net current income tax asset/ (liability) at the end	<u>73.64</u>	<u>57.22</u>

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

e) Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

₹ in Lakhs

	31-Mar-25				31-Mar-24			
	Opening balance	Recognised/ reversed through profit or loss	Recognised in/reclassified from other comprehensive income	Closing balance	Opening balance	Recognised/ reversed through profit or loss	Recognised in/reclassified from other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to								
Property, plant and equipment and Intangible assets	(927.29)	2.11		(925.18)	(950.70)	23.41		(927.29)
Provision for Employee Benefits	43.69	13.23		56.92	33.21	10.48		43.69
Net deferred tax Asset (Liability)	(883.60)	15.34	-	(868.26)	(917.49)	33.89	-	(883.60)

₹ in Lakhs

39 EXPENDITURE ON CORPATE SOCIAL RESPONSIBILITY ACTIVITIES

- Gross amount required to be spent by the company during the year
- Amount of expenditure incurred on:
 - Construction/ acquisition of any asset
 - On purposes other than above
- Shortfall at the end of the year
- Total of previous years' shortfall
- Reason for shortfall
- Nature of CSR Activities
- Details of related parties in relation to CSR expenditure

For the year ended 31.03.2025	For the year ended 31.03.2024
4.18	0.00
0.00	0.00
4.18	0.00
0.00	0.00
0.00	0.00
Not Applicable	Not Applicable
Procurement of Math Training Kits	Not Applicable
Not Applicable	Not Applicable

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

40 RELATED PARTY DISCLOSURE

- a) Description of relationship and Names of related Parties
- i) Subsidiaries None
 - ii) Associates None
 - iii) Group member
 - (i) TVS Mobility Private Limited
 - (ii) Trichur Sundaram Santhanam & Family Private Limited
 - iv) Key Management Personnel
 - Mr. Krishna Mahesh, Managing Director
 - Mr. V. Srinivasan, CFO
 - Mr. Y Sathyan, Company Secretary (upto August 2024)
 - Mr. J R Vishnu Varthan, Company Secretary
 - v) Relatives of Key Management Personnel
 - Mrs. Shrimathi Mahesh
 - Ms. Shripriya Mahesh Ramanan
 - vi) Enterprise with common Key Management Personnel None
 - vii) Enterprise in which relatives of Key Management Personnel have significant interest
 - T V Sundram Iyengar & Sons Private Limited
 - Madurai Alagar Enterprises Private Limited
 - Alagar Farms Private Limited
 - Alagar Resins Private Limited
 - TVS Global Trade Private Limited

₹ in lakhs

Sl. No.	Name of transactions	Name of the Company	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Sale Of Goods	Madurai Alagar Enterprises Private Limited	537.08	456.66
2	Sale Of Goods	TVS Mobility Private Limited	184.67	160.14
3	Sale Of Goods	Trichur Sundaram Santhanam & Family Private Limited	384.25	266.74
4	Reiurnbursement of expenses	Madurai Alagar Enterprises Private Limited	27.91	23.15
5	Commission On sales	Madurai Alagar Enterprises Private Limited	-	13.19
6	Commission On sales	TVS Global Trade Private Limited	18.12	-
7	Rent Received	Alagar Farms Private Limited	0.12	0.12
8	Contract Manufacture Charges	Alagar Resins Private Limited	848.60	803.07
9	Purchase of Raw Materials	Alagar Resins Private Limited	268.53	246.96
10	Purchase of Raw Materials	Alagar Farms Private Limited	469.21	493.46
11	Managerial Remuneration	Mr. Krishna Mahesh	106.68	106.68
12	Sitting Fees Paid	Ms. ShriPriya Mahesh Raman	0.25	0.20
13	Sitting Fees Paid	K S D Sambasivam	0.20	0.75
14	Sitting Fees Paid	Sandhya Subramaniam	0.70	0.75
15	Sitting Fees Paid	Shobana Ramachandhran	0.20	0.10

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

				₹ in lakhs
Sl. No.	Name of transactions	Name of the Company	For the year ended 31.03.2025	For the year ended 31.03.2024
16	Sitting Fees Paid	S Venkataraman	0.70	0.50
17	Sitting Fees Paid	G R Chandramouli	-	0.25
18	Sitting Fees Paid	P S Raman	-	0.10
19	Sitting Fees Paid	C T P Chidambaram	0.40	-
20	Sitting Fees Paid	T Kannan	-	-
21	Remuneration Paid	V Srinivasan	42.17	42.23
22	Remuneration Paid	Y Sathyan	10.60	25.89
23	Remuneration Paid	J R Vishnu Varthan	14.48	-
	Outstanding as on 31st March			
	Receivables	Madurai Alagar Enterprises Private Limited	57.28	101.23
		TVS Mobility Private Limited	17.87	60.12
		Trichur Sundaram Santhanam & Family Private Limited	27.37	24.13
	Outstanding as on 31st March			
	Payables	Alagar Resins Private Limited	158.68	174.28
		Alagar Farms Private Limited	73.98	73.86
		Madurai Alagar Enterprises Private Ltd	5.70	7.50
		TVS Global Trade Private Limited	17.21	-
		Mr.Krishna Mahesh	-	39.33

41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a. Capital Management

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2025.

b. Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, Trade receivables, loans, cash and bank balances and other financial assets.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below:

i) 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. Market prices comprise three types of risk i.e. interest rate risk, currency risk, and Commodity risk.

Interest rate risk

The company obtains financing through borrowings. The Company's policy is to obtain the most favourable interest rates available.

The Company's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit before tax for the year by the amounts shown below. This analysis assumes all other variables remain constant.

	₹ in lakhs	
	Profit / (Loss) before tax	
	March 31, 2025	March 31, 2024
Financial Liabilities - Borrowings		
+ 1% (100 basis points)	(45.49)	(45.81)
-1% (100 basis points)	45.49	45.81
Financial Assets - Loans (not significant)		

There is no hedging instruments to mitigate this risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from transactions i.e. imports of materials, recognised assets and liabilities denominated in a currency that is not the company's functional currency.

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Company's Total Foreign currency exposure:

		(Unhedged)		
Particulars		March 31, 2025		
	Currency	Exchange Rate	Amount in Foreign Currency	Amount in ₹ Lacs
Trade Receivables	EUR	92.25	0.09	8.14
	GBP	110.18	0.62	68.08
	USD	85.46	38.81	3,317.00
Bank Balance	USD	85.46	0.03	2.78
Trade Payables	USD	85.46	1.15	98.19
	EUR	92.25	0.50	46.08
	JPY	0.57	76.44	43.57
	GBP	110.18	0.04	4.90
Other payable	USD	85.46	1.61	137.99
	GBP	110.18	0.13	14.16
	EUR	92.25	0.04	3.46
Foreign currency loans	USD	85.46	11.17	954.70

Particulars		March 31, 2024		
Trade Receivables	EUR	90.10	0.09	7.94
	GBP	105.23	1.50	157.44
	USD	83.34	32.61	2,717.57
Bank Balance	USD	83.34	0.04	3.72
Trade Payables	USD	83.34	0.19	15.60
	EUR	90.10	0.01	0.77
	JPY	0.55	48.58	26.72
	GBP	105.23	0.03	3.17
	CHF	92.41	0.42	38.34
Other payables	USD	83.34	1.21	100.33
	GBP	105.23	0.08	8.94
Foreign currency loans	USD	83.34	16.15	1,346.29

₹ in lakhs

Profit / (Loss) before tax

	March 31, 2025	March 31, 2024
USD sensitivity		
INR/USD- increase by 5%	(106.45)	(62.95)
INR/USD- decrease by 5%	106.45	62.95

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

Commodity Risk

The company has commodity price risk, primarily related to the purchases of Steel and Aluminium. However, the company does not bear significant exposure to earnings risk, as such changes are included in the rate-recovery mechanisms with the customers.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade and other receivables), including short-term deposits with banks, and other financial assets.

Credit risk management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is mainly exposed to credit risk from credit sales.

The company is exposed to credit risk in respect of these balances such that, if one or more customers encounter financial difficulties, this could materially and adversely affect the company's financial results. The company attempts to mitigate credit risk by assessing the creditworthiness of customers and closely monitoring payment history. The Company had taken credit risk insurance for the export receivable.

There have been no material impairments to trade or other receivables in the two years included within these financial statements and no indication of enhanced customer credit risk.

Credit risk on cash and cash equivalents is considered to be minimal as the counterparties are all substantial banks with high credit ratings.

The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31st March 2025, and consequently no material provisions are required for bad and doubtful debts.

The carrying amount of financial assets represents the maximum credit exposure.

Particulars	Carrying Amount	
	As at March 31, 2025	As at March 31, 2024
Trade receivables	7,902.42	6,907.57
Investments	1.07	92.94
Cash and cash equivalents	28.91	33.48
Other financial assets	1,453.38	1,360.06
	9,385.78	8,394.05

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

	As at March 31, 2025	As at March 31, 2024
Not more than 180 days	7,842.49	6,786.06
More than 180 days	59.93	121.51
Sub-total	7,956.62	6,945.40
Less: Impairment Loss allowance	54.20	37.83
Total	7,902.42	6,907.57

Other financial assets comprising of security deposits, claims receivables, interest receivable and advance recoverable primarily consists of deposits with TNEB for obtaining Electricity connections, rental deposits given for lease of premises amongst others. The Company does not expect any loss from non-performance by these counter-parties.

iii. Liquidity risk

Liquidity risk arises from the company's management of working capital and the continued availability of its other funding facilities. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due. The company actively manages its cash generation and maintains sufficient cash holdings to cover its immediate obligations.

₹ Lakhs

31-Mar-25				
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash credit	4,013.10			4,013.10
Term Loan from a Bank	206.49	227.49	170.03	604.01
Trade and other payables	5,867.13			5,867.13
Bank loans	954.70			954.70
Total	11,041.42	227.49	170.03	11,438.94
31-Mar-24				
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash credit	2,371.03			2,371.03
Term Loan from a Bank	206.49	206.49	292.51	705.49
Trade and other payables	5,551.52			5,551.52
Bank loans	1,346.29			1,346.29
Total	9,475.33	206.49	292.51	9,974.33

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

42 FAIR VALUE MEASUREMENTS

i. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

ii. Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)

a. Financial assets measured at fair value – recurring fair value measurements

₹ in lakhs

31 March 2025	Level 1	Level 2	Level 3	Total
Un listed equity instruments	-	-	1.07	1.07
Total	-	-	1.07	1.07
31 March 2024	Level 1	Level 2	Level 3	Total
Un listed equity instruments	-	-	92.94	92.94
Total	-	-	92.94	92.94

The fair value of unquoted equity Shares is determined using Level 3 inputs like Discounted cash flows, Market multiple method, Option pricing model etc.

There are no transfer between levels during the periods.

b. Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

₹ in lakhs

	March 31, 2025		
	FVTPL	FVOCI	Amortised Cost
Financial assets			
Investments			
Equity Shares		1.07	
Trade receivables			7,902.42
Loans			29.49
Cash and cash equivalents			4.19
Other Financial Assets			1,423.89
Total	-	1.07	9,361.37

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

₹ in lakhs

	March 31, 2025		
	FVTPL	FVOCI	Amortised Cost
Financial liabilities			
Borrowings			5,571.81
Trade payables			4,685.16
Other Financial Liabilities			1,181.97
Total	-	-	11,438.94

	March 31, 2024		
	FVTPL	FVOCI	Amortised Cost
Financial assets			
Investments			
Equity Shares		92.94	
Trade receivables			6,907.57
Loans			31.12
Cash and cash equivalents			9.63
Other Financial Assets			1,328.94
Total	-	92.94	8,277.26
Financial liabilities			
Borrowings			4,422.81
Trade payables			4,419.78
Other Financial Liabilities			1,131.74
Total	-	-	9,974.33

All financial instruments are carried at amortised cost and the carrying value of the Company's financial assets and liabilities is considered to approximate to their fair value at each reporting date.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

43 FINANCIAL RATIO ANALYSIS AND ITS ELEMENTS

a. Ratio	Current Ratio		
Numerator	Current Assets		
Denominator	Current Liabilities		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Current Assets (A)		14,684	13,026
Current Liabilities (B)		11,181	9,677
Current Ratio (C) = (A) / (B)		1.31	1.35
%Change from previous year		(2.43%)	
b. Ratio	Debt Equity Ratio		
Numerator	Total Debt [represents current and non-current borrowings]		
Denominator	Shareholders' equity [represents total equity]		
Ratios/ Measures		As at 31-Mar-24	As at 31-Mar-23
Total debt (A)		5,572	4,423
Shareholder's equity (B)		9,935	9,506
Debt equity ratio (C) = (A) / (B)		0.56	0.47
%Change from previous year		20.53%	
c. Ratio	Debt service coverage ratio		
Numerator	Earnings available for debt service		
Denominator	Debt service		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Profit after tax for the year (A)		517	1,009
Add: Non cash operating expenses and finance cost			
Depreciation and Amortisation expense (B)		597	638
Finance costs (C)		403	336
Earnings available for debt services (D) = (A) + (B) + (C)		1,517	1,984
Finance costs (E)		403	336
Repayment of non-current borrowings (F)		206	900
Payment of principal portion of lease liabilities (G)			
Debt service (H) = (E) + (F) + (G)		609	1,237
Debt service coverage ratio (I) = (D) / (H)		2.49	1.60
%Change from previous year		55.16%	
Reason for change: Due to increase in PAT for the year ended 31.03.2025			

SUNDARAM BRAKE LININGS LIMITED

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

d. Ratio	Return on equity [%]		
Numerator	Restated loss after tax		
Denominator	Average Shareholder's Equity		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Profit after tax for the year (A)		517.28	1,009.36
Closing shareholder's equity (B)		9,935.26	9,505.91
Average shareholder's equity [(opening + closing) /2] (C)		9,720.59	9,023.47
Return on equity [%] (D) = (A)/(C) *100		0.05	0.11
%Change from previous year		(52.43%)	
Reason for change: Due to increase in PAT for the year ended 31.03.2025			
e. Ratio	Inventory turnover ratio		
Numerator	Cost of goods sold		
Denominator	Average inventory		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Cost of goods sold (A)		17,041	18,466
Closing Inventory (B)		4,984	4,458
Average inventory [(opening + closing) /2] (C)		4,721	5,012
Inventory turnover ratio (D) = (A)/(C)		3.61	3.68
%Change from previous year		(2.02%)	
f. Ratio	Trade receivables turnover ratio		
Numerator	Revenue from operations		
Denominator	Average trade receivables		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Revenue from operations (A)		35,465	35,542
Closing Trade Receivables		7,902	6,908
Average Trade Receivables [(opening + closing) /2] (B)		7,405	6,903
Trade receivables turnover ratio (C) = (A) / (B)		4.79	5.15
%Change from previous year		(6.98%)	
g. Ratio	Trade payables turnover ratio		
Numerator	Total purchases		
Denominator	Average trade payables		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Total purchases * (A)		17,687	17,979
Closing Trade Payables		4,685	4,420
Average Trade Payables [(opening + closing) /2] (B)		4,552	4,585
Trade payables turnover ratio (C) = (A) / (B)		3.89	3.92
%Change from previous year		(0.92%)	

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

h. Ratio	Net capital turnover ratio		
Numerator	Revenue from operations		
Denominator	Working capital		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Revenue from operations (A)		35,221	35,236
Working Capital (Current Assets - Current Liabilities) (B)		3,504	3,349
Net capital turnover ratio (C) = (A)/ (B)		10.05	10.52
%Change from previous year		(4.45%)	

i. Ratio	Net profit ratio [%]		
Numerator	Profit after tax		
Denominator	Revenue from operations		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Profit after tax for the year (A)		517.28	1,009.36
Revenue from operations (B)		35,221.30	35,235.87
Net profit [%] (C) = (A) / (B) *100		0.01	0.03
%Change from previous year		(48.73%)	

Reason for change: Due to increase in PAT for the year ended 31.03.2025.

j. Ratio	Return on capital employed [%]		
Numerator	Earning before interest and taxes		
Denominator	Capital Employed (Total equity, Total borrowings and Total lease liabilities)		
Ratios/ Measures		As at 31-Mar-25	As at 31-Mar-24
Profit after tax for the year (A)		517.28	1,009.36
Adjustments			
Add: Total tax expense (B)		96.82	145.13
Add: Finance costs (C)		402.89	336.40
Earnings before interest and tax (D) = (A) + (B) + (C)		1,016.99	1,490.89
Total equity (E)		9,935.26	9,505.91
Current and Non-current borrowing (F)		5,571.81	4,422.81
Current and Non-current lease liability (G)			
Capital Employed (H) = (E) + (F) + (G)		15,507.07	13,928.72
Return on capital employed [%] (I) = (D) / (H) *100		0.07	0.11
%Change from previous year		(38.73%)	

Reason for change: Due to increase in PAT for the year ended 31.03.2025.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

(₹ in lakhs)

k. Ratio	Return on investment [%]
Numerator	Interest income on fixed deposits + Profit on sale of investments + Income of investments - Impairment on value of investment
Denominator	Current investment + Non current investments + Fixed deposits with bank
Not applicable - No investments are made by the company	

44 OTHER STATUTORY INFORMATION

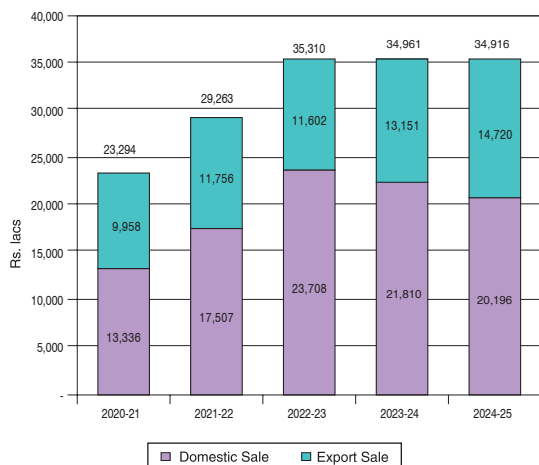
- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 1) 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
 - 2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (iv) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.
- (vii) Relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 are as follows:-

Name of the struck off Company	Nature of transaction	As at March 31, 2025	As at March 31, 2024	Relationship with the Struck off Company
DBS Capital Markets Pvt. Ltd	Shares held by struck off company	3000 Equity Shares	3000 Equity Shares	Shareholder

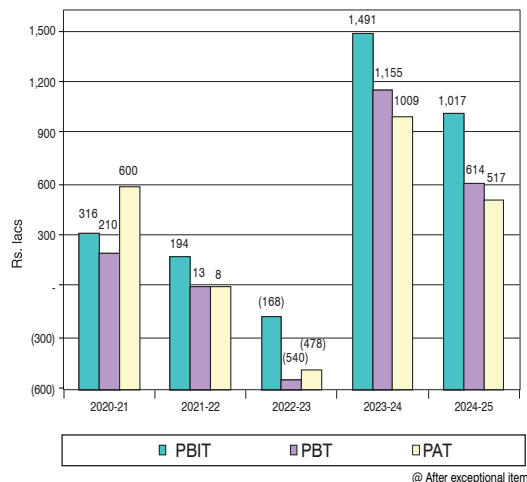
- (viii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

45 Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current period's classification.KRISHNA MAHESH
Managing DirectorSANDHYA SUBRAMANYAM
DirectorV SRINIVASAN
Chief Financial OfficerAs per our Report Annexed
for Brahmayya & Co;
Chartered Accountants
(FRN 000511S)Place : Chennai
Date : May 25, 2025VISHNU VARTHAN J R
Company Secretary & Compliance OfficerL. RAVI SANKAR
Partner
Membership No. 025929

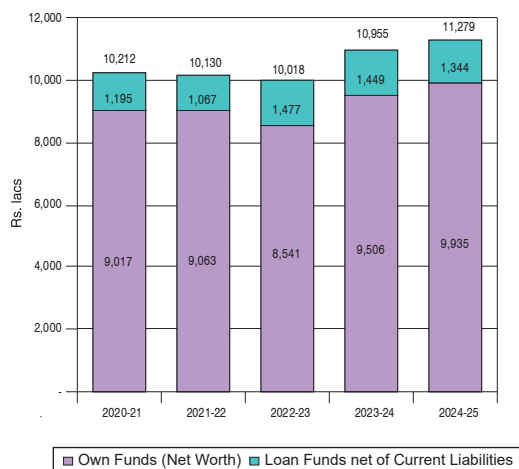
Net Sales



Profit Trend



Capital Employed



Earnings per share & Book Value

