

22<sup>nd</sup> Annual Report for the Financial Year 2023-24



### Notice

**NOTICE** is hereby given that the **Twenty Second (22<sup>nd</sup>) Annual General Meeting** (the “AGM”) of the Members of “**EMERALD TYRE MANUFACTURERS LIMITED**” (the **Company**) will be held at the Registered Office of the Company, at Plot No. 2, Second Street, Porur Gardens Phase-I, Vanagarm, Chennai – 600095 on Friday, 9<sup>th</sup> August 2024 at 12.00 Noon to transact the following business:

#### Ordinary Business:

#### **1. Adoption of Audited Standalone and Consolidated financial statements**

To consider and adopt:

- (i) the Audited Standalone financial statements of the Company for the financial year ended 31<sup>st</sup> March 2024 together with the Reports of the Board of Directors and Auditors’ thereon;
- (ii) the Audited Consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March 2024 together with the Report of the Auditors’ thereon; and

to pass the following resolution as an Ordinary resolution.

“**RESOLVED** that the Standalone and Consolidated Statement of Profit and Loss for the year ended on 31<sup>st</sup> March 2024, the Balance Sheet as on 31<sup>st</sup> March 2024, the annexure thereto, the Cash Flow Statement for the year ended on 31<sup>st</sup> March 2024, the Reports of Auditors and Directors thereon be and are hereby received and adopted”.

#### **2. To declare the payment of Final Dividend**

To declare the payment of Final Dividend of Re. 1 (Rupee One) per equity share of face value of Rs. 10/- each for the year ended March 31, 2024, and in this regard, to pass with or without modification the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** a final Dividend of Re. 1/- per equity share of face value of Re.10/- each aggregating to Rs. 1.44 Crores, as recommended by the Board of Directors of the Company for the financial year ended March 31, 2024, be and is hereby declared and the same be paid to the eligible members of the Company as per the provisions of the Companies Act, 2013

#### **3. Appointment of Mr. V.T.Chandhrashekharan, as a Chairman & Managing Director (DIN: 00628816) liable to retire by rotation**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of Members of the Company, be and is hereby accorded to reappoint **V.T.Chandhrashekharan, as a Chairman & Managing Director (DIN: 00628816)**, who is liable to retire by rotation.

**Special Business:**

**1. Ratification of remuneration payable to M/s. Starp & Associates., Cost Auditors of the Company.**

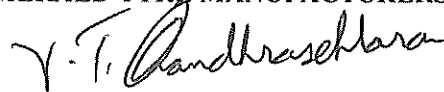
To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) the members hereby approve and ratify the remuneration of Rs.50,000/- (Rupees Fifty Thousand only) plus taxes and reimbursement of out of pocket expenses, if any at actuals payable to **M/s. Starp & Associates.,** Cost Accountants having Firm Registration Number 004143, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) or the Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts, deeds, matters & things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors

**EMERALD TYRE MANUFACTURERS LIMITED**



**Chandrasekharan Thrupathi Venkatachalam**  
**Chairman & Managing Director**  
**DIN 00628816**

**Place: Chennai**

**Date: 12<sup>th</sup> June 2024**

**Note:**

A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the commencement of this meeting. Members/ proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.

Subject to approval of the Members at the AGM, the dividend will be paid to the Members whose names appear on the Company's Register of Members as on the Record Date i.e., 22<sup>nd</sup> July 2024. and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

The payment of such final dividend subject to deduction of tax at source as recommended by the Board of Directors, if approved at the AGM, will be made on or after (09<sup>th</sup> August 2024) but within stipulated time, to all the beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited

("CDSL"), collectively "Depositories", as of end of day of 22<sup>nd</sup> July 2024. and to all the Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as at the close of business hours on 22<sup>nd</sup> July 2024. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details. Shareholders are requested to register / update their complete bank details: (a) with their Depository Participant(s) with whom they maintain their demat accounts, if shares are held in dematerialized mode by submitting the requisite documents, and (b) with the Company/ Linkintime India Pvt Ltd(RTA), if shares held in physical mode, by submitting scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details).

#### **Tax Deductible at Source / Withholding tax:**

Dividend is taxable in the hands of the recipient from 1st April 2020. The Company is required to deduct tax at source from dividend. Accordingly, dividend would be paid net of TDS @ 20% if the Member has not provided his/her valid PAN and @ 10% in other cases

Pursuant to the requirement of Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ RTA/ Depository Participant.

#### **A. Resident Shareholders:**

##### **A1. Tax Deductible at Source for Resident Shareholders:**

<b>Sr.No</b>	<b>Particulars</b>	<b>Withholding tax rate</b>	<b>Documents required (if any)/ Remarks</b>
1	Valid PAN Updated in the Company's Register of Members	10%	No document required If dividend does not exceed Rs. 5,000/-, no TDS/ withholding tax will be deducted.
2	No PAN/ Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/ RTA/Depository Participant. All the shareholders are requested to update, on or before 31 <sup>st</sup> July 2024, their PAN with their Depository Participant (if shares are held in electronic form) and Company / RTA (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.
3	Availability of lower/ nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961.	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before 31 <sup>st</sup> July 2024.

**A2. No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in column no. 4 of the below table with the Company /RTA/Depository Participant on or before 31<sup>st</sup> July 2024.**

Sr.No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
1	Submission of form 15G/15H	Nil	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions.
2	Shareholders to whom section 194 of the Income Tax Act, 1961 does not apply as per second proviso to section 194 such as LIC, GIC. etc.	Nil	Documentary evidence for exemption u/s 194 of Income Tax Act, 1961.
3	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	Nil	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961.
4	Category I and II Alternate Investment Fund	Nil	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961.
	<ul style="list-style-type: none"> <li>• Recognised provident funds</li> <li>• Approved superannuation fund</li> <li>• Approved gratuity fund</li> </ul>	Nil	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT).
5	National Pension Scheme	Nil	No TDS/ withholding tax as per section 197A (1E) of Income Tax Act, 1961.
6	Any resident shareholder exempted from TDS deduction as per the provisions of Income Tax Act, 1961 or by any other law or notification	Nil	Necessary documentary evidence substantiating exemption from deduction of TDS.

## B. Non-Resident Shareholders:

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, on or before 31<sup>st</sup> July 2024, the following document(s), as mentioned in column no. 4 of the below table, to the Company / RTA. In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr.No	Particulars	Withholding tax rate	Documents required (if any)/ Remarks
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Other Non-Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is lower	FPI registration certificate in case of FIIs / FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received. 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filed electronically On the Indian Income Tax web portal pursuant to Notification no. 03/2022 dated 16th July 2022 and a subsequent notification dated December 12, 2022 issued by the Central Board of Direct Taxes (CBDT), as required under the Income tax Act, 1961. (Please note that the shareholders who have PAN may not be eligible for DTAA benefit if the e-filed Form 10F is not furnished. However, pursuant to the Notification dated March 28, 2023, CBDT exempted those non-residents who are not having PAN and are not required to have PAN as per the law from

			mandatory e-filing of Form 10F online until September 30, 2023, and such non residents may make this statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022 till September 30, 2023 only). 4. Self-declaration for nonexistence of permanent establishment/ fixed base in India.
2	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India
3	Availability of Lower/ NIL tax deduction Certificate issued by Income Tax Authority	Rate specified In certificate	Lower tax deduction certificate obtained from Income Tax Authority
4	Any non-resident Shareholder exempted from WHT deduction as per the provisions of Income Tax Act, 1961 or any other law such as The United Nations (Privileges And Immunities) Act 1947,etc.	NIL	Necessary documentary evidence substantiating exemption from WHT deduction

Members may register / update their bank account details with the Depository Participant/RTA/Company for shares held in electronic form.

**ANNEXURE TO THE NOTICE OF THE TWENTY SECOND (22<sup>ND</sup>) ANNUAL GENERAL MEETING  
(THE “AGM”) OF MEMBERS OF “EMERALD TYRE MANUFACTURERS LIMITED”**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013  
 (“THE ACT”):**

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Special Business mentioned in the accompanying Notice for convening the 22<sup>nd</sup> (Twenty Second) Annual General Meeting (“AGM”) of Emerald Tyre Manufacturers Limited on Friday 09<sup>th</sup> August 2024 at 12.00 Noon (IST):

**Ordinary Resolution under Item No. 4:**

The Board of Directors of the Company, at its meeting held on 12<sup>th</sup> June 2024, based on recommendation of the Audit Committee appointed **M/s. Starp & Associates.**, the Cost Accountants, Chennai (Firm Registration Number: 004143), as the “Cost Auditors” of the Company for the Financial Year 2024-25, pursuant to Section 148 and other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014. Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out-of-pocket expenses at actuals, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Shareholders.

Based on the certification received from the Cost Auditors, it may be noted that: -

- i. the Cost Auditors do not suffer from any disqualifications as specified under Section 141(3) of the Act;
- ii. their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- iii. none of their Partners is in the whole-time employment of any Company; and
- iv. they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm’s length relationship with the Company, pursuant to Section 144 of the Act. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 4.

The Board recommends the Resolution as set forth in Item No. 4 of the AGM Notice to the members of the Company for their consideration and approval by way of ordinary resolution.



**Form No. MGT-11****Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : **U25111TN2002PLC048665**

Name of the Company : **EMERALD TYRE MANUFACTURERS LIMITED**

Registered office : "EMERALD HOUSE" Plot No.2, Second Street, Porur Gardens, Phase-I, Vanagaram, Chennai 600095, Tamilnadu, India

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No/Client Id :

DP ID :

I/We, being the member (s) of \_\_\_\_\_ shares of the above-named company, hereby appoint

1. Name: \_\_\_\_\_

Address:

E-mail Id:

Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_

Address:

E-mail Id:

Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting to be held on Friday 09<sup>th</sup> August 2024 at 12.00. noon, at the Registered Office of the Company situated at: "EMERALD HOUSE" Plot No.2, Second Street, Porur Gardens, Phase-I, Vanagaram, Chennai 600095, Tamilnadu, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Please mention no. of shares)		
		For	Against	Abstain
1	<b>Ordinary Business:</b>  1. Adoption of Audited Standalone and Consolidated financial statements. 2. To declare the payment of Final Dividend. 3. Appointment of Mr. V.T.Chandhrashekharan, as a Chairman & Managing Director (DIN: 00628816) liable to retire by rotation.			

2	<b>Special Business:</b>  1. Ratification of remuneration payable to M/s. Starp & Associates., Cost Auditors of the Company.			
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Signed this \_\_\_\_\_ day of 2024

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s)

Affix Revenue
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**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting. (I.e. on or before 12.00) PM on 07/08/2024,

**ATTENDANCE SLIP**  
(To be handed over at the entrance of the meeting hall)

**Annual General Meeting on Friday, 09<sup>th</sup> August, 2024**

Full name of the members attending \_\_\_\_\_  
(In block capitals)

Ledger Folio No. /Client ID No. \_\_\_\_\_

No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_  
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the

Annual General Meeting (AGM) of **EMERALD TYRE MANUFACTURERS LIMITED** on Friday 09<sup>th</sup> August 2024 at 12.00 noon. at the Registered Office of the Company situated at :“EMERALD HOUSE” Plot No.2, Second Street, Porur Gardens, Phase-I, Vanagaram, Chennai 600095, Tamilnadu, India.

(Member's /Proxy's Signature)

**Note:**

- 1) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

## Route Map:

**Route Map:**

Search along this route

Gas EV charging Hotels

Your location

Emerald Tyre Manufacturers Ltd. Phase

Add destination

Leave now

Options

Send directions to your phone Copy link

**via Gandhi Main Rd/Porur - Vanagaram Main Rd** 13 min 12.9 km

via Mount Poonamallee Rd 12 min 11.9 km

**Emerald Tyre Manufacturers Ltd.**

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## **COMPANY INFORMATION:**

CIN: U25111TN2002PLC048665  
Email: [accounts@emeraldtyres.com](mailto:accounts@emeraldtyres.com)  
Website: [www.emeraldtyres.com](http://www.emeraldtyres.com)

**Company Name: “EMERALD TYRE MANUFACTURERS LIMITED” \*(formerly known as Emerald Resilient Tyre Manufacturers Pvt Ltd & Emerald Resilient Tyre Manufacturers Limited)**

\*During the year the Company was converted into Public Limited Company pursuant to the special resolution passed by the Shareholders of the Company at their Extraordinary General Meeting held on November 25, 2023 and consequent upon conversion of the Company from private limited into public limited, the name of company was changed from "Emerald Resilient Tyre Manufacturers Private Limited " to "Emerald Resilient Tyre Manufacturers Limited " and a fresh Certificate of Incorporation dated 22/12/2023, was issued by the Registrar of Companies, Chennai. The CIN of the Company changed to U25111 TN2002PLC048665. Further the name of the company was changed from "Emerald Resilient Tyre Manufacturers Limited" to "Emerald Tyre Manufacturers Limited" pursuant to the special resolution passed by the Shareholders of the company at the Extra Ordinary General Meeting held on January 11, 2024 & a fresh certificate of Incorporation was issued by Registrar of companies on 17/01/2024.

### **Directors:**

#### **Executive Directors:**

1. Chandhrasekharan Thirupathi Venkatachalam (DIN: 00628816) – Chairman & Managing Director
2. Eswara Krishnan. D (DIN: 01739106) – Whole Time Director

#### **Non-Executive Directors:**

1. Krishna Moorthy Subromonia Iyer (DIN: 10366029)– Independent Director
2. T R Narasimhan (DIN: 10366032) - Independent Director
3. Priya Vedavalli K (DIN: 10366109)- Women Director

#### **Key Managerial Personnel:**

1. Varadarajan Krishnaram - Chief Executive Officer (CEO)
2. Shankar Ganesh Subramanian - Chief Financial Officer (CFO)
3. Raja Devika Dhivya (M No. A57110) - Company Secretary & Compliance Officer

**Bankers:**

State Bank of India  
Leather & International Branch  
157, 1st Floor, Anna Salai  
Chennai – 600 002.

**Auditors:****STATUTORY:**

M/s. Rajani & co.,  
Chartered accountants  
No. 3A, Sivanandam apartments 3<sup>Rd</sup> floor  
No: 1B/1C, East park road, Pulla Avenue,  
Shenoy Nagar, Chennai – 600030.

**INTERNAL:**

Santhosh Jayamanoj & Associates,  
No.27, 10, Welcome Colony,  
Anna Nagar West Extension,  
Chennai, Tamil Nadu 600101

**COST AUDITOR:**

M/s. Starp & Associates  
No 684, Mogappair East,  
I St Block, Valayapathy Steet.  
Chennai – 600037.

**Registered Office & Corporate Office:**

Emerald Tyre Manufacturers Limited  
“Emerald House” Plot No 2, Second Street, Porur Gardens,  
Phase – 1, Vanagaram, Chennai – 600095.

**Factory:**

Plot No 79 & 80, Export Promotional Industrial Park  
SIPCOT Industrial Complex,  
Gummudipundi,  
Thiruvallur District,  
India- 601 201.

**Registrar and Share Transfer Agent:**

Link Intime India Pvt. Ltd,  
C 101, Embassy 247,  
L.B.S.Marg,  
Vikhroli (West),  
Mumbai - 400083

## **BOARDS' REPORT**

To,  
**The Members of the Company**

Your directors take pleasure in presenting the 22<sup>nd</sup> Annual Report of Emerald Tyre Manufacturers Limited (the "Company" or "Emerald") along with the Standalone Audited Financial Statements together with the Consolidated Audited Financial statement of the Company for the year ended 31<sup>st</sup> March 2024.

### **1.FINANCIAL SUMMARY**

#### **1 Financial Results:**

Particulars	Rs. In Lacs		Rs. In Lacs	
	Standalone		Consolidated	
	Current Year Ended 31-03-2024	Previous Year Ended 31-03-2023	Current Year Ended 31-03-2024	Previous Year Ended 31-03-2023
Revenue from Operations	15,391.55	15,104.16	17,098.74	16,393.95
Other Income	212.53	154.68	98.10	175.77
<b>Total Income</b>	<b>15,604.08</b>	<b>15,258.84</b>	<b>17,196.84</b>	<b>16,569.72</b>
<i>Less:</i>				
Expenditure other than Interest, Depreciation & Tax	12,574.06	13,002.84	14,213.82	14248.19
<b>Profit Before Interest, Depreciation and Tax</b>	<b>3,030.03</b>	<b>2,256.01</b>	<b>2,983.01</b>	<b>2,321.53</b>
<i>Less:</i>				
Interest & Finance Charges	888.16	837.30	948.21	872.33
Depreciation / Write offs	549.06	398.11	552.92	404.01
<b>Profit Before Tax</b>	<b>1,592.81</b>	<b>1020.6</b>	<b>1,481.88</b>	<b>1045.19</b>
<i>Less:</i>				
Current Tax	304.71	271.94	302.758	271.94
Deferred Tax	10.46	38.90	10.46	38.90
<b>Profit Available for Appropriations</b>	<b>1,277.64</b>	<b>709.76</b>	<b>1,168.67</b>	<b>734.35</b>
<i>Appropriations:</i>				
<b>Transfer to General Reserve</b>	<b>177.76</b>	<b>-</b>	<b>177.76</b>	<b>-</b>
Provision for Dividend	144.91	-	144.91	-
<b>Balance B/F from Previous Year</b>	<b>2,367.47</b>	<b>1,657.71</b>	<b>1,483.21</b>	<b>748.86</b>
<b>Surplus Carried to Balance Sheet</b>	<b>3,322.45</b>	<b>2,367.47</b>	<b>2,329.21</b>	<b>1,483.21</b>



## 2 OPERATIONS AND STATE OF AFFAIRS:

### OPERATIONS:

**Standalone:** During the year under consideration on Standalone basis, your Company achieved Revenue from Operations of Rs 15,391.55 Lakhs as against Rs 15,104.16 Lakhs during the previous financial year. EBITDA has Increased during previous financial year from Rs 2,256.01 Lakhs to Rs 3,030.03 Lakhs in current financial year and Net profit has increased to Rs 1,277.64 Lakhs from Rs 709.76 Lakhs during previous financial year.

**Consolidation:** During the year under consideration on Consolidated basis, your Company achieved Revenue from operations Rs 17,098.74 Lakhs as against Rs 16,393.95 Lakhs during the previous financial year, EBITDA has increased to Rs 2,983.01 Lakhs from Rs 2,321.53 Lakhs during previous financial year, and Net profit has increased to Rs 1,168.67Lakhs from Rs 734.35 Lakhs during previous financial year.

### STATE OF AFFAIRS:

- i. Your Company is engaged in the Business of manufacturing and sale of Industrial Tyres.
- ii. There has been no change in the business of the Company during the financial year ended March 31, 2024.
- iii. Your Company has filed Draft Red Herring Prospectus on the EMERGE platform of the National Stock Exchange of India Limited

## 3 MANAGEMENT DISCUSSION AND ANALYSIS:

### Business Overview:

The year 2021-22 and 2022-23 witnessed a combined growth of over 80% in sales as compared to the year 2021. Having witnessed a robust growth, the Company focussed on improving the operating efficiency of the company in the year 2023-24. The Company has been focussing on improvement of margins on products and profitability and working on changing the product mix. While the sales grew marginally the profitability has increased significantly.

In the Global market, the Company has been able to sustain the growth and had a lot of new customers to our stable. The market of Europe looks very promising and we have identified new partners in the market besides the UK market. The Middle East continues to maintain its volumes. Over all the Company expects a growth of. The USA market is also growing significantly with new customers constantly getting added. The Indian market has witnessed a lot of global companies entering the market and your company has been in the fore front of serving these Global companies and this is likely to contribute significantly in the current year.

### Global Economic Scenario and Industry Scenario

The following observations of the Global Risks Report 2024 published by the World Economic Forum summarises the Global economic scenario the report warned of a world that would not easily rebound from continued shocks. "As 2024 begins, the 19th edition of the report is set against a backdrop of rapidly accelerating technological change and economic uncertainty, as the world is plagued by a duo of dangerous

crises: climate and conflict. Underlying geopolitical tensions combined with the eruption of active hostilities in multiple regions is contributing to an unstable global order characterized by polarizing narratives, eroding trust and insecurity. At the same time, countries are grappling with the impacts of record-breaking extreme weather, as climate-change adaptation efforts and resources fall short of the type, scale and intensity of climate-related events already taking place. Cost-of-living pressures continue to bite, amidst persistently elevated inflation and interest rates and continued economic uncertainty in much of the world. "

The Global economy is affected by the conflicts of west Asia and Ukraine and there has been no resolution. This combined with unsafe sea where the threats of Pirates are causing huge uncertainty. While India is a silver lining in this current Scenario, the world is today one village wherein disruptions in one part of the world will certainly affect the other sooner or later.

The world is looking for cost effective solutions to its requirements. Companies are looking at safe economies to get their manufacturing outsourced. AI, IOT, Bloc chain are bringing new challenges in production and this will be the trend of this century. Companies need to focus on Innovation and improvement in their product offering. Technology will become the single largest differentiator of organisations in their quest to improve their market share. The world is looking for manufacturing destinations with good governance and demographic strength and this is driving India to the fore front

#### **Our Industry:**

According to Future Market Insights, the global off highway tires market will be valued at US\$ 9,405.4 Million in 2023 and will increase at a CAGR of 7.9% from 2023 to 2033. The growth of the construction sector in developing countries has raised demand for construction and material handling equipment, which is expected to fuel considerable growth in the off-highway tires market.

#### **Emerald Performance:**

Your Company has performed well in the current year by improving profitability. The Markets of USA and Europe besides Middle East and South Africa has been able to sustain the volumes. New OEMs have been brought to the fold and this will contribute significantly to the current year's performance. Your Company participated some of the Big global exhibitions and this is likely to improve the customer visibility leading to improvement in business.

Europe has been going through most challenging times due to the Ukraine conflict and the aftermath of Brexit. Emerald has improved its performance and profitability amidst this uncertainty due to its prudent policies. The company has been conscious of the credit extended to the customers and has acted cautiously not to lose any money due to bad debts. The UK market is given special focus in terms of market coverage and appointment of channel partners since UK cannot be handled from Europe due to a plethora of restrictions and duties, Emerald continues to maintain its momentum in the middle East serving our prestigious Ground support companies. Markets like Oman, Bahrain, Kuwait and African markets like Egypt also show lot of promise in the forklift segment.

The Indian market has been a silver lining in the growth of the Company and due to the governments make in India initiative a lot Global OEMs are coming to India. Your Company has been capitalising on this mood and has appointed channel partners across the country and has built a robust sales force. Your Company plans to open Warehouses across the four major cities of India to deliver fast to OEMs and other

customers. Your Company is also planning tyre fitment centres across India to enable fitment solutions to our customers.

Overall, it has been a good year and has helped the Company to introspect on the growth and improve overall efficiency to lay the foundation for sustained growth and improved profitability in the next three years.

#### **Cost of Materials:**

Natural rubber continues to show a rising tread in the backdrop of spurt in labour cost and unstable climatic conditions coupled with farmers constant push for sustainable prices. Crude oil which is a basic raw material for the manufacture of several ingredients for the tyre manufacturing too has been fluctuating widely. The cost of labour continues to rise, and the company focuses on skill developments as a major tool to improve the quality of the product. The global disruptions in logistics owing to unsafe seas and the war at west Asia has virtually affected the raw material costs significantly and the market is going through a black swan effect due to the overall global scenario.

#### **Business Strategy and Outlook:**

Your Company has been focussing on R&D in a big way since the company plans to expand into lot of new products and new solutions. The Company is embarking on a major expansion in certain high potential and high margin products. The Company plans to expand its offering in the wheel segment. From the current focus in split wheels the Company will be developing Multipiece rims for the market which will be a game changer. The Company plans to participate in a number of exhibitions in India and Abroad to promote its products and improve the reach.

#### **Green Technology:**

Your Company will be making a major focus on green technology. The Company's tyres are fully compliant with the REACH standards prescribed by the European Union and will be focussing on reuse and recycling as part of its efforts to create a safe green earth. The Company plans to focus on rethreading of Solid tyres at a strategic global location in order to support the global customers with cost effective and environment friendly solutions. Extensive R&D work has been done to make the product safe for use and provide significant cost savings. The EUDR (European Union Deforestation Regulation) is another major requirement for the European market and Emerald having significant exposure in the EU will be fully complying with the regulation. The Company has obtained the Environment Certification (ISO 14001-2015) during the current year as a mark of its commitment to make the manufacturing place safe for all. Plans are on the anvil to instal solar panels across the roof of the company and thereby will be able earn significant carbon credits. The Company is confident of making significant strides in the year 24-25.

- 4 Your Company is planning for capacity expansion in its Solid, Pneumatic and mixing plant. This is part of its SME IPO objectives.

#### **5 ANNUAL RETURN:**

The Company is having website i.e. [www.emeraldtyres.com](http://www.emeraldtyres.com) and annual return of Company has been published on such website. Link of the same is given below:

[www.emeraldtyres.com](http://www.emeraldtyres.com)

## **6 MEETINGS OF BOARD OF DIRECTORS / COMMITTEE'S:**

21(Twenty-One), Board Meetings were held during the Financial Year ended March 31, 2024 i.e. (20.04.2023, 16.06.2023, 24.06.2023, 15.07.2023, 19.07.2023, 17.08.2023, 29.08.2023, 01.09.2023, 06.09.2023, 22.09.2023, 21.10.2023, 25.11.2023, 27.11.2023, 22.12.2023, 03.01.2024, 14.02.2024, 15.02.2024, 07.03.2024, 18.03.2024, 22.03.2024, 29.03.2024) The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

## **7 DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **A. CHANGE IN DIRECTORSHIP:-**

Mr. Varadarajan Krishnaram and Mr. R Subramanian resigned from the Board of Directors during the financial year 2023-24. The Board records its deepest gratitude for the immense guidance and leadership provided by Mr. Varadarajan Krishnaram and Mr. R Subramanian during their tenure and seek there continued guidance as an advisor in the future also.

Change in designation has been made for the following Directors during the financial year 2023-2024:

S.No	Name of the Director	Designation		Date	Term
		From	To		
1	CHANDHRASEKHARAN THIRUPATHI VENKATACHALAM (DIN 00628816)	Managing Director	Chairman and Managing Director	25/11/2023	3 years
2	ESWARA KRISHNAN D (DIN 01739106)	Director	Whole- Time Director	25/11/2023	3 years

Mr. Krishna Moorthy Subramonia Iyer (DIN 10366029) has been appointed w.e.f. 25/11/2023 as Non-Executive Independent Director of the Company.

Mr. Narasimhan (DIN 10366032) has been appointed w.e.f. 25/11/2023 as Non-Executive Independent Director of the Company.

Ms. Krishnaram Priya Vedavalli (DIN 10366109) has been appointed w.e.f. 25/11/2023 as Non-Executive Women Director of the Company.

### **B. KEY MANAGERIAL PERSONNEL**

Mr Varadarajan Krishnaram - Chief Executive Officer (CEO) has been appointed w.e.f. 25/11/2023

Shankar Ganesh Subramanian - Chief Financial Officer (CFO) has been appointed w.e.f. 25/11/2023

Raja Devika Dhivya (M No. A57110) - Company Secretary & Compliance Officer has been appointed w.e.f. 07/03/2024

**8 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**9 SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS & RETURN ON NET WORTH:**

As per Schedule V read with Regulation 34(3) of Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediate previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations thereof are provided in Note No. 57 of Standalone Financial statement respectively forming part of this Annual Report.

**10 COMPLIANCE WITH SECRETARIAL STANDARD:**

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

**11 PARTICULARS OF LOANS AND INVESTMENT:**

The Company has not made any Investment, given guarantee and securities during the financial year under review. Therefore, no need to comply provisions of section 186 of Companies Act, 2013.

**12 TRANSFER TO RESERVE:**

The Company proposes to transfer Rs.127.76 Lacs to General Reserves in view of the Dividend Declaration for the financial year 2023-24.

**13 DIVIDEND:**

The Board of Directors of your company is pleased to recommend a dividend of INR. 1/- per equity share of the face value of INR. 10 each (@10%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date, subject to approval of the members in the ensuing AGM. The dividend pay-out is in accordance with the company's dividend distribution policy. The record date for the purpose of payment of final dividend will 22<sup>nd</sup> July 2024.

**14 Share Capital**

**Authorised Share Capital:**

During the year, reclassification of the Authorized Share Capital of the Company from Rs.18,50,00,000 /- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,35,00,000 (One Crore Thirty Five Lakhs) Equity Shares of Rs.10/- each and 5,00,000 15% Non-Convertible Redeemable Preference Shares of Rs.100/- each to Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10 / - each and further increase in the Authorised Share Capital of the Company from Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10/- each to Rs.25,00,00,000 (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs.10 /- each vide Resolution passed by the Shareholders of the company at the Extra Ordinary General Meeting held on 18/09/2023.

**Paid-up Share Capital:**

The paid-up equity capital as on 31<sup>st</sup> March 2024 was ₹ 14,49,05,120/-. The following are the movement in paid up capital during the year: -

- Preferential allotment of ₹ 60,66,420 (6,06,642 Equity shares of Rs.10 each)
- Issue of bonus shares to the existing shareholders of ₹ 7,16,71,310/- (71,67,131 Equity shares of Rs 10 each) and

Conversion of 1,56,250 Compulsory Convertible Debentures of Rs 160 each into Equity Shares of Rs 10 each in the ratio of 1:1.

**15 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3)(m) of The Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith and forms part of this Report as **Annexure -3**.

**Foreign Exchange earnings and Outgo**

Earnings	Rs. 10,642.37 Lakhs
Outgo	Rs. 326.86 Lakhs

**16 RISK MANAGEMENT POLICY**

Key Business Risks are identified by the Company and reviewed by the Senior Management on a regular basis. In addition, the Board of Directors review the key risks identified and the mitigation plan initiated by the Company on the quarterly basis. The list of key risks is also revisited and modified as per the changing scenario.

**17 PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ["POSH"]:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace.

The Company has not received any complaint on sexual harassment during the financial year 2023-24.

**18 DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

The following companies continue as subsidiaries of the Company and their audited accounts have been consolidated with those of the Company as on 31<sup>st</sup> March 2024.

Emerald Middle East FZE

Emerald Tyres Europe BV

An extract of the information in respect of each of the above subsidiary in form AOC – 1 as required under the provisions of The Companies Act, 2013 is annexed to this report as **Annexure – 1** and forms part of this report

Company doesn't have any Joint Venture and Associate Companies as on 31<sup>st</sup> March 2024.

## **19 INTERNAL FINANCIAL CONTROL:**

The Company has a formal system of internal financial control to ensure the reliability of financial and operational information, and regulatory and statutory compliances. Some of the company's key business processes are ERP enabled for monitoring and reporting process resulting in financial discipline and accountability. These have been designed to provide reasonable assurance with regard to credibility of data and compliances, inter-alia:

- a. recording and providing reliable financial and operational information;
- b. complying with the applicable statutes;
- c. safeguarding assets from unauthorized use;
- d. executing transactions with proper authorization, and ensuring compliance with corporate policies;
- e. prevention and detection of frauds / errors;
- f. continuous updating of IT systems;
- g. managing the risk of security exposure or compromise.

The Audit Committee reviewed the reports submitted by the Management and Internal Auditors. Based on their evaluation (as defined in section 177 of the Companies Act, 2013) the Company's Audit Committee has concluded that, as of 31<sup>st</sup> March, 2024, the Company's internal financial controls were adequate and operating effectively.

## **20 AUDITOR:**

### **Statutory Auditors:**

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, **M/s. Rajani & Co**, Chartered Accountants, Chennai (FRN: 003433S), has been appointed as Statutory Auditors of the Company for a term of 5 years to hold office from the -20<sup>th</sup> Annual General Meeting (AGM) up to the conclusion of 25<sup>th</sup> AGM to be held for financial year ending March 31, 2027.

### **Cost Auditors:**

The Board of Directors in their meeting held on 12<sup>th</sup> June 2024, has approved the appointment of M/s. Starp & Associates (FRN: 004143) Cost Accountants, as Cost Auditors for the financial year ending March 31, 2025.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit & Auditors) Rules, 2014, Company is required to maintain cost records and accordingly, such accounts and records are maintained by the Company. Further, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by members at the ensuing annual general meeting.

### **Internal Auditor:**

The Board has appointed M/s. Santhosh Jayamanoj & Associates, Chartered Accountants as Internal Auditors for a period of 1 (One) year for Financial Year 2023-24 under Section 138 of the Companies Act, 2013 and they have completed the Internal Audit as per the scope as defined by the Audit Committee.

The Board in their meeting held on 12<sup>th</sup> June 2024 appointed M/s. Santhosh Jayamanoj & Associates, Chartered Accountants as Internal Auditors for a period of 1 (One) year for Financial Year 2024-25 under Section 138 of the Companies Act, 2013.

**21 AUDITOR'S QUALIFICATION:**

There are no qualifications in the reports of the Statutory Auditors. There was no instance of fraud during the year under review, which is required to be reported by Statutory Auditors in their reports as mentioned under sub-section (12) of Section 143 of the Act. Subject Audit Report.

**22 INDUSTRIAL RELATIONS:**

The industrial relations with staff and workers during the year under review continue to be cordial.

**23 DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Directors would like to inform the Members that the Audited Accounts for the financial year ended March 31, 2024, are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, (M/s. Rajani & Co FRN: 003433S). The Directors further confirm that: -

- a) In the preparation of the annual accounts for the year ended March 31, 2024 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date.
- c) 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 the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**24 DEPOSITS:**

The company has not accepted any deposits during the financial year under review. However, loan from directors/ Relative of Directors obtained earlier, has been repaid in full during the year.

**25 CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts /arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis. Accordingly, the disclosure of related party



transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC – 2 is attached as Annexure 1A to this report. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and proposed to be entered in the ordinary course of business and at arm's length during the financial year. All related party transactions are placed before the Audit Committee for review and approval.

## 26 CORPORATE SOCIAL RESPONSIBILITY:

However being the company earlier was a private limited company and was not fulfilling the criteria for appointment of independent director under sub-section (4) of section 149, therefore the existing Corporate Social Responsibility Committee was constituted comprised of two Directors, and none of them was independent Director.

Now the company has been converted into Public Limited Company and the existing paid up share capital of company is above ten crores and also preparing for initial Public Offer (IPO) therefore the existing Corporate Social Responsibility Committee has been reconstituted to be in line with the requirements of section 135, 149(4) of the Act read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### a) The CSR Committee members are:

1. Ms. Priya Vedavalli K (DIN 10366109) – Chairperson
2. Mr.T. R.Narasimhan (DIN 10366032) – Member
3. Mr. Eswara Krishnan D (DIN 01739106) - Member

### b) Corporate Social Responsibility Meeting

During the year under review, the Corporate Social Responsibility Committee met on 03/01/2024. The attendances of its members are as follows,

Name of the Director	Total Number of Meetings held	Number of Meetings Attended	Date of Meeting
			03/01/2024
Ms.Priya Vedavalli K	1	1	✓
Mr. Eswarakrishnan D	1	1	✓
Mr.TR Narasimhan	1	1	✓

CSR is applicable during the financial year 2023-24.

As per the provision of Section 135 the Company is required to spend Rs. 21.58 Lakhs (Rupees Twenty One Lakhs and Fifty Eight Thousand Only) during the F.Y. 2024-25 and the same will be spent on the areas mentioned under Schedule VII of Companies Act 2013.

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure-II.

The CSR Policy of the company is available on the website [www.emeraldtyres.com](http://www.emeraldtyres.com)

## 27 AUDIT COMMITTEE:

Audit Committee has been constituted in compliance with the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and any other applicable law, as under:

**The Audit Committee members are:**

1. Mr. S Krishnamoorthy (DIN 10366029)– Chairperson
2. Mr.T. R.Narasimhan (DIN 10366032) – Member
3. Mr. V T Chandhrasekharan (DIN 00628816) - Member

**Audit Committee Meetings**

During the year under review, the Audit Committee met on 15/02/2024 and 22/03/2024. The attendances of its members are as follows,

Name of the Director	Total Number of Meetings held	Number of Meetings Attended	Date of Meeting	
			15/02/2024	22/03/2024
Mr. S. Krishnamoorthy	1	1	✓	✓
Mr. T R Narasimhan	1	1	✓	✓
Mr. V T Chandhrasekharan	1	1	✓	✓

All the recommendations made by the Audit Committee have been accepted by the Board. All the members have relevant experience in financial matters

**28 STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from all Independent Directors of the Company in accordance with the provisions of Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

**29 ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to the provisions of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014, the Company has adopted Whistle Blower Policy/Vigil Mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct. It also provides for adequate safeguards against victimization of directors /employees who avail the Mechanism.

**30 PARTICULARS OF EMPLOYEES, DIRECTORS AND KEY MANAGERIAL PERSON:**

The information on employees pursuant to the disclosure requirements under Sec. 197 Read with Rule 5 (1) of the Companies Act 2013 is not required since the company does not have any employee drawing remuneration warranting disclosure under The Companies Act.

**31 DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. As on 31st March, 2024, 98.27% of Company's shares were dematerialized.

**32 CORPORATE GOVERNANCE:**

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company's Corporate Governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high level of Integrity in decision making.

### **33 PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE,2016:**

No application has been made or any proceeding is pending under the IBC, 2016.

### **34 DIFFERENCE IN VALUATION:**

The company has never made any one-time settlement against the loans obtained from Banks and Financial Institution and hence this clause is not applicable.

### **35 FINANCE**

Cash and Cash equivalent excluding fixed deposits as at March 31, 2024 was at ₹ 95.22 lakhs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

### **36 CAPITAL WORK IN PROGRESS**

Capital work in progress includes a sum of Rs. 2.96 Crores representing Inter mixer which is outstanding for more than 3 years. The Directors are of the opinion that the same will be implemented and commissioned in the current year 2024-25, this will ensure doubling of the rubber mixing capacity. The equipment is currently in Good Condition.

### **37 INTERNAL CONTROL SYSTEMS**

Internal Control systems in the organisation are looked at as key to its effective functioning. The Company has adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, safeguarding of assets of the Company, adhering to the management policies besides ensuring compliance.

### **38 AUDIT TRAIL:**

Ministry of Corporate Affairs vide the Notification dated 24.03.2021 has mandated that every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Accordingly, your Company has already in past placed an accounting software in place which records the audit trail of each and every transaction which creates an edit log of each changes made in the books of accounts and the audit trail is being preserved by the Company as per the Statutory requirements

### **39 CONSOLIDATED FINANCIAL STATEMENTS**

As per the requirements of the Companies Act, 2013, the audited consolidated financial statement for the year ended 31<sup>st</sup> March 2024 is prepared in accordance with the relevant accounting standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

### **40 HUMAN RESOURCES**

Your company firmly believes that human resources play a vital role in its continued growth and success. As a part of Middle management development, program has been rolled out for enhancing the leadership skills among

the middle level managers. To increase the effectiveness of sales, sales members, sales effectiveness program has been conducted.

During the year, your company maintained healthy, cordial and peaceful industrial relations with the workers and employees at all levels.

#### **41 MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report. There were no significant material orders passed by the regulators or courts or tribunal impacting the Company's going concern status and its operations in future. There was no change in the nature of the business during the year.

#### **42 . CAUTIONARY STATEMENTS:**

Certain statements in the "Director's Report & Management Discussion and Analysis" describing the Company's views about the Industry, expectations/ predictions, objectives etc., may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the Statement. Company's operations may inter-alia affect with the supply and demand stipulations, input prices and their availability, changes in Government regulations, taxes, exchange fluctuations and other factors such as Industrial relations and economic developments etc. Investors should bear the above in mind.

#### **APPRECIATION:**

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the dedicated and committed services by the Company's executives, staff and workers.

Last but not the least, your Directors wish to place on record their warm appreciation to you for your continuous support and encouragement.

Thanking you

**For and On Behalf of the Board of Directors**



**V T Chandrasekharan**

**Chairman & Managing Director**

**DIN No. 00628816**

**Place: Chennai**

**Date: 12<sup>th</sup> June 2024**

## ANNEXURE 1 TO BOARD'S REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. In Lacs)

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	Emrald Middle East FZE	Emrald Tyres Europe BV
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March 2024	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Closing Rate 1 AED = Rs. 22.69 Average Rate 1 AED = Rs. 22.53	Closing Rate 1 Euro = Rs.89.94 Average Rate 1 Euro = Rs.89.77
4.	Share capital	45.38	560.42
5.	Reserves & surplus	(319.77)	(805.34)
6.	Total assets	454.89	2405.65
7.	Total Liabilities	456.73	2453.70
8.	Investments	-	-
9.	Turnover	335.03	4491.24
10.	Profit before taxation	(59.22)	132.54
11.	Provision for taxation	-	-
12.	Profit after taxation	(59.22)	134.51
13.	Proposed Dividend	-	-
14.	% of shareholding	100 %	100 %

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations.
- Names of subsidiaries which have been liquidated or sold during the year.

#### Part "B": Associates and Joint Ventures


**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures :** **NIL**

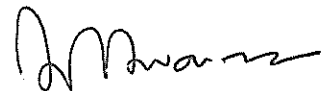
Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-	-	-
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			

3. Description of how there is significant influence	-	-	-
4. Reason why the associate/joint venture is not consolidated	-	-	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	-
6. Profit/Loss for the year	-	-	--
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	-	-	-

1. Names of associates or joint ventures which are yet to commence operations. - NIL  
2. Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

For Emerald Tyre Manufactures Limited

  
**V T Chandrashekharan**  
Chairman & Managing Director  
DIN: 00628816

  
**Eswara Krishnan D**  
Whole-Time Director  
DIN: 01739106

Place: Chennai

Date: 12<sup>th</sup> June 2024

## ANNEXURE 1A TO BOARD'S REPORT

### 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. NIL
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.T. Chandrasekharan, Director & Promoter
b)	Nature of contracts/arrangements/transaction	Salary/Rent paid for Registered Office
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary = Rs.78.45 Lacs Rent = Rs. 9.60 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.T. Srinivas, Relative
b)	Nature of contracts/arrangements/transaction	Salary/Rent paid for Office
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary = Rs.67.82 Lacs Rent = Rs. 1.44 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	V.Thirupathi Relative
b)	Nature of contracts/arrangements/transaction	Salary
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary = Rs.60.60 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Emrald Middle East FZE Wholly Own Subsidiary
b)	Nature of contracts/arrangements/transaction	Sale of Goods
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 302.21 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

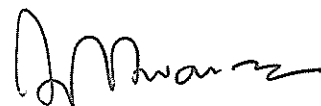
SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Emrald Tyres Europe BVBA Wholly Own Subsidiary
b)	Nature of contracts/arrangements/transaction	Sale of Goods
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 2816.87 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SA Rubber Engineering Pty Ltd Company held by Mr VT Srinivas
b)	Nature of contracts/arrangements/transaction	Sale of Goods/ Purchase of Fixed asset
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Goods Rs. 73.58 Lacs Asset purchase Rs 45.98 Lacs
e)	Date of approval by the Board	20 <sup>th</sup> April 2023
f)	Amount paid as advances, if any	Nil

For Emerald Tyre Manufactures Limited



V T Chandrashekharan  
Chairman & Managing Director  
DIN: 00628816



Eswara Krishnan D  
Whole-Time Director  
DIN: 01739106

Place: Chennai

Date: 12<sup>th</sup> June 2024



## ANNEXURE-II TO BOARD'S REPORT

### Annual Report on CSR Activities for Financial Year 2023-2024

#### 1. Brief outline on CSR Policy of the Company.

CSR policy sets out the Company's commitment & approach towards Corporate Social Responsibility based on our legacy of 'Giving Back to Society'. The Company is committed to improving the quality of life of the communities we serve through the CSR theme of 'Building Sustainable Livelihoods'. The Company endeavours to facilitate livelihood opportunities & socio- cultural development in areas of its operations.

The Company's CSR Activities shall mainly focus on the following areas:

1. Vocational Skill Development Programs:
2. Partnerships to Preserve & Promote Indigenous Heritage, Culture, Arts and Handicrafts
3. Income-generation and Livelihood Enhancement Programs:
4. Disaster Relief and Rehabilitation Programs
5. Healthcare sectors

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Priya Vedavalli K (DIN 10366109)	Chairperson/Non-Executive Women Directo	1	1
2	T R Narasimhan (DIN 10366032)	Member/Non-Executive Independent Director	1	1
3	Mr. Eswara Krishnan D (DIN 01739106)	Member/Whole Time Director-Senior Vice President	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

[www.emeraldtyres.com](http://www.emeraldtyres.com)

4. Provide the 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).

Not Applicable as the Company does not have average CSR obligation of Rs. 10 crore or more, in the three immediately preceding financial years.

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-2021	Nil	Nil
2	2021-2022	Nil	Nil
3	2022-2023	Nil	Nil
	<b>Total</b>	Nil	Nil

6. Average net profit of the company as per section 135(5) = Rs.6,18,84,483/-

7. (a) Two percent of average net profit of the company as per section 135(5) = Rs.12,37,690/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

(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) = Rs.12,37,690/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs.12,38,000/-	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	Dist.						Name	CSR Registration number.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
				State.	District			Name CSR registration number.
1.	Donation to M/s.Kaanal Koviloor Eye Hospital	Promoting health care including preventive health care	Karaikudi	Tamilnadu	Koviloor, Karaikudi	10,00,000	Yes	NA NA
2.	Donation to Vasantha Subramaninan Hospital	Promoting health care including preventive health care	Chennai	Tamilnadu	Chennai	2,38,000	Yes	NA NA
	<b>Total</b>					12,38,000		

(d) Amount spent in Administrative Overheads- Nil

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.12,38,000/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs.12,37,690/-
(ii)	Total amount spent for the Financial Year	Rs.12,38,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs.310/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2020-2021	NIL	NIL	NIL	NIL	NIL	NIL

2.	2021-2022	NIL	NIL	NIL	NIL	NIL	NIL
3.	2022-2023	NIL	Rs. 6,00,000/-	NIL	NIL	NIL	NIL
	Total	NIL	Rs. 6,00,000/-	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	Not Applicable							
2								
3								
	Total							

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 - NIL

(asset-wise details).

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

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). NA.

<b>V T Chandrashekharan</b> <b>Chairman &amp; Managing Director</b> <b>DIN: 00628816</b>	<b>Priya Vedavalli K</b> <b>Chairperson- CSR Committee</b> <b>DIN:10366109</b>
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Place: Chennai

Date: 12<sup>th</sup> June 2024

### ANNEXURE-III TO BOARD'S REPORT

Section 134(3)(m) of The Companies Act, 2013 Read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is forming part of the Directors' Report for the year ended 31st March, 2024.

#### 1. Conservation of Energy

##### a. Energy Conservation measures taken

Steps are being taken to conserve energy. There is a conscious and concerted drive towards conservation of energy in all its form.

b. Additional Investment & proposal for Reduction of Consumption of Energy. Further, the company has installed roof top on grid solar PV system in its Registered office for a capacity of 17.98 kWp in its endeavour to promote clean energy.

c. There are continuous efforts to reduce the cost of production and conserve energy.

d. Total energy consumption and energy consumption per unit of production as per Form A given below:

#### FORM – A

#### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

##### A. Power and Fuel Consumption

Sl. No	Particulars	2023-2024	2022-2023
1.	<b>Electricity</b>		
	Purchased Units	47,32,780	47,99,333
	Total Amount	₹ 4,63,95,533/-	₹ 4,33,36,599/-
	Avg. Rate per Unit	₹ 9.80	₹ 9.03
2.	<b>Diesel</b>		
	Purchased Litres	31,690	26,312
	Total Amount	₹ 29,83,100/-	₹ 25,11,535/-
	Avg. Rate per Litre	₹ 94.13	₹ 95.45
3.	<b>Firewood</b>		
	Purchased Kgs	98,29,279	98,31,550
	Amount	₹ 4,19,01,371/-	₹ 3,95,69,702/-
	Avg. Rate per Kg	₹ 4.26	₹ 4.02

**FORM B**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**

**Research and Development (R&D)**

1. Specific area in which R&D carried out by the Company : New product development
2. Benefits derived as a result of the above R&D : Launch of new products
3. Future plan of action : -
4. Expenditure on R&D
  - a. Capital :Rs 273.80 Lakhs
  - b. Recurring :Rs 62.50 Lakhs
  - c. Total :Rs 336.30 Lakhs
  - d. Total R&D Expenditure as % of total turnover : 2%

**Technology Absorption adaptation and innovation:**

1. Efforts in brief made towards technology absorption, adaptation and innovation
2. Benefits derived as a result of the above efforts e.g. product improvement cost reduction, product development, import substitution etc
3. Technology Imported
  - a. Year of Import
  - a. Has technology been fully absorbed?
  - b. If not fully absorbed areas where this has taken place reasons therefore and future plan of action

NIL

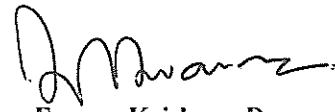
**c. Foreign Exchange Earnings and outgo in Rs in Lakhs:**

Particulars	2023-2024	2022-2023
Foreign Exchange Earnings	10,642.37	10,307.39
Foreign Exchange Outgo	326.80	148.16

**For and On Behalf of the Board of Directors**



**V T Chandrasekharan**  
**Chairman & Managing Director**  
**DIN: 00628816**



**Eswara Krishnan D**  
**Whole-Time Director**  
**DIN 01739106**

**Place: Chennai**

**Date: 12<sup>th</sup> June 2024**

## INDEPENDENT AUDITORS' REPORT

**To the Members of**

**EMERALD TYRE MANUFACTURERS LIMITED**

(formerly known as Emerald Resilient Tyre Manufacturers Pvt Ltd & Emerald Resilient Tyre Manufacturers Limited)

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the standalone financial statements of **M/s. Emerald Tyre Manufacturers Limited** ("the Company"), which comprise the standalone balance sheet as at 31<sup>st</sup> March 2024, and the standalone statement of Profit and Loss and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 its Profit and its Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

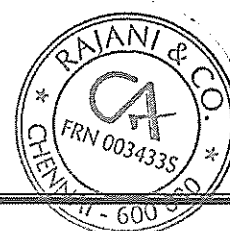
The Company has filed Draft Red Herring Prospectus on the EMERGE platform of the National Stock Exchange of India Limited and there was restatement of the Financial Statements for 3 Previous years and due to which there is an excess income shown under prior period Item of Rs.138.13 Lakhs. Our procedures and management's assessment undertaken are considered to be adequate.

### Information other than the Standalone financial statements and auditors' report thereon

The Company's management and board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

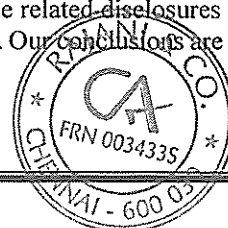
Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

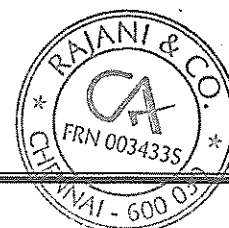
Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and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

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

#### **Report on Other Legal and Regulatory Requirements**

1. 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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.
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B;
  - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.



- h) With respect to the **other matters** to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as on 31<sup>st</sup> March, 2024 in its standalone financial statements.
  - ii. The Company does 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 note 39A to the financial statement, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 39B to the financial statement, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on such audit procedures that 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 mis-statement.
  - v. As stated in note 30. to the financial statements, the Board of Directors of the Company have 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.
  - vi. As per reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Company with effect from 1<sup>st</sup> April 2023 is using accounting software for maintaining books of account which has features of recording audit trail (edit log) facility

**For Rajani & Co**  
**Chartered Accountants**  
**FRNo.003433S**

**Mahesh Jain,**  
**Partner**  
**M.No.229881,**  
**UDIN: 24229881BKBIFB6776**  
**Place: Chennai**  
**Date: 12<sup>th</sup> June 2024**



**Annexure 'A'**

**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements" of our report of even date to the members of Emerald Tyre Manufacturers Limited ("the Company") on the standalone financial statements as of and for the year ended 31 March 2024.**

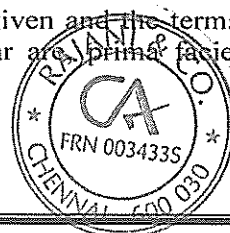
We report that:

**(i) Property, Plant and Equipment**

- (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(ii) Details of Inventory and Working Capital**

- a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate, and discrepancies (which is less than 10% in the aggregate for each class of inventory) noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
- b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from a bank on the basis of security of current assets; the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company as explained in note number I.23 to the notes to accounts.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has made investments and have not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year apart from its employees.
- (a) In our opinion, the investments made, guarantee given and the terms and conditions of loans to employees, during the year are prima facie, not prejudicial to the Company's interest.

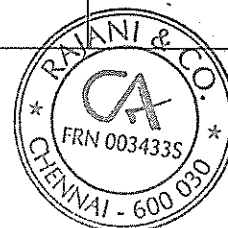


- (b) In respect of loans to employees granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (c) In respect of loans to employees granted by the Company, there is ₹4.99 Lakhs remaining outstanding as at the balance sheet date.
- (d) No loan to employees granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records no loans has been given to Directors or guarantee has been given by the company, hence, provisions of section 185 and 186 of the Companies Act, 2013 is not applicable.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company as specified under sub section (1) of section 148 of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.

**(vii) Statutory Dues**

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:
- (c)

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved
Income Tax Act, 1961	Order u/s 143(3)	CIT(A)	2017-18	3,83,02,430
Income Tax Act, 1961	Order u/s 143(3)	CIT(A)	2013-14	22,79,370
Income Tax Act, 1961	Order u/s 143(3)	ITAT	2007-08	21,11,320



(viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

**(ix) Repayment of Loans**

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us by the management, the Company has raised working loans and has not defaulted in the repayment of the loans.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

**(x) Initial Public Offerings:**

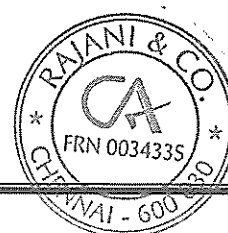
- (a) Based on our audit procedures and according to the information given by the management, The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable. However, the Company has filed Draft Red Herring Prospectus on the EMERGE platform of the National Stock Exchange of India Limited for its initial IPO.
- (b) The company has made preferential allotment of 6,06,642 equity shares and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. Further, the company has converted its entire convertible debentures into equity share capital during the year 1,56,250 equity Shares of Rs 10 each at Rs 150 premium).

**(xi) Frauds**

- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.



- (xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards;
- (xiv) **Internal Audits:**
- (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business.
- (b) Based on information and explanations provided to us, internal audit had been conducted and we have considered the reports of the Internal Auditors for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvi) **Registers U/s 45-IA of Reserve Bank Of India**
- (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) Corporate Social Responsibility:**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is liable to create the provision and utilize the same for the purpose of the Corporate Social Responsibility as required under section 135 of the Companies Act, 2013 and accordingly the company has created the provision & utilized the same by contributing ₹ 12.38 L to the Hospitals which are eligible for the receiving the CSR fund.

(xxi) There is no any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

**For Rajani & Co**  
**Chartered Accountants**  
**FRNo.003433S**

**Maheśh Jain,**  
**Partner**  
**M.No.229881**  
**UDIN: 24229881BKBIFB6776**  
**Place: Chennai**  
**Date: 12<sup>th</sup> June 2024**



**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to standalone financial statements of **EMERALD TYRE MANUFACTURERS LIMITED (formerly known as Emerald Resilient Tyre Manufacturers Pvt Ltd & Emerald Resilient Tyre Manufacturers Limited)**

(the “Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

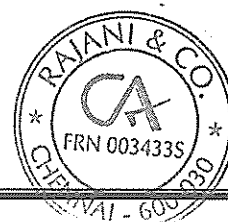
The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the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

**Auditor’s Responsibility**

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those financial statement and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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





### **Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

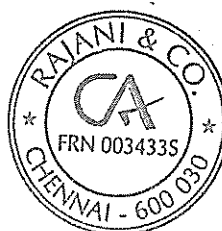
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Rajani & Co**  
**Chartered Accountants**  
**FRNo.003433S**

**Mahesh Jain,**  
**Partner**  
**M.No.229881**  
**UDIN: 24229881BKBIFB6776**  
**Place: Chennai**  
**Date: 12<sup>th</sup> June 2024**



# STANDALONE AUDITED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024

Particulars	Note No.	31-03-2024		31-03-2023	
		Amount In ₹' Lakhs	Amount In ₹' Lakhs	Amount In ₹' Lakhs	Amount In ₹' Lakhs
<b>I EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUND</b>					
a Share Capital	2	1,449.05		656.05	
b Reserve and Surplus	3	5,149.91	6,598.96	4,111.27	4,767.32
<b>2. NON CURRENT LIABILITIES</b>					
a Long Term Borrowings	4	2,047.88		2,258.48	
b Deferred Tax Liabilities (Net)	5	273.26		262.80	
c Other Long Term Liabilities	6	123.70		141.38	
d Long Term Provisions	7	-	2,444.84	-	2,662.66
<b>3. CURRENT LIABILITIES</b>					
a Short Term Borrowings	8	5,397.58		5,653.67	
b Trade Payables					
(i) Total Outstanding Dues of Micro and Small Enterprises	9	576.39		575.29	
(ii) Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	9	1,433.06		1,191.90	
c Other Current Liabilities	10	184.30		280.76	
d Short Term Provisions	11	640.51	8,231.85	374.28	8,075.91
<b>Total</b>			<b>17,275.66</b>		<b>15,505.88</b>
<b>II ASSETS</b>					
<b>1. NON CURRENT ASSETS</b>					
a Property, Plant and Equipment and Intangible Assets					
(i) Property, Plant and Equipment	12	5,003.42		4,391.83	
(ii) Intangible Assets	12	419.56		127.75	
(iii) Capital Work In Progress		642.06	6,065.04	684.48	5,204.06
b Non Current Investment	13	618.91		627.91	
c Long Term loans and advances	14	251.05		357.14	
d Other Non Current Assets	15	4.99	874.95	-	985.05
<b>2. CURRENT ASSETS</b>					
a Current Investments	16	-		-	
b Inventories	17	5,012.13		4,712.48	
c Trade Receivables	18	4,514.22		4,101.93	
d Cash and Bank Balances	19	220.77		185.40	
e Short Term loans and Advances	20	428.99		226.91	
f Other Current Assets	21	159.56	10,335.66	90.04	9,316.77
<b>Total</b>			<b>17,275.66</b>		<b>15,505.88</b>

See accompanying notes to the Financial Statements

In terms of our Report Attached

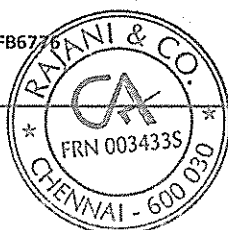
For Rajani & co  
Chartered Accountants  
Firm Registration No.003433S

V.T. Chandrasekhara  
V T Chandrasekhara  
Managing Director  
DIN:00628816

For and On Behalf of the Board of Directors

D Eswarakrishnan  
Whole Time Director  
DIN:01739106

Mahesh Jain  
Partner  
M.No-229881  
UDIN: 24229881BKBIFB677  
Place : Chennai  
Date : 12-06-2024



S. Shankar Ganesh  
S Shankar Ganesh  
Chief Financial Officer

Raja Devika Dhivya  
Company Secretary  
M No: A57110

**STANDALONE AUDITED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	Note No.	31-03-2024 Amount In ₹ 'Lakhs	31-03-2023 Amount In ₹ 'Lakhs
I. Revenue from Operations	22	15,391.55	15,104.16
II. Other Income	23	212.53	154.68
III. Total Income (I+II)		<b>15,604.08</b>	<b>15,258.84</b>
IV. Expenses:			
Cost of Materials Consumed	24	9,171.57	10,010.79
Changes in Inventories of Work in progress , Finished goods & Stock- in- trade	24.1	(202.75)	(331.06)
Employee Benefits Expense	25	1,830.26	1,712.18
Finance Cost	26	888.16	837.30
Depreciation and Amortization Expense	27	549.05	398.11
Other Expenses	28	1,774.97	1,610.92
Total Expenses		<b>14,011.27</b>	<b>14,238.24</b>
V. Profit Before Exceptional and Extraordinary Items and Tax		<b>1,592.81</b>	<b>1,020.60</b>
VI. Exceptional Items		-	-
VI. Profit before extraordinary items and tax (V-VI)		<b>1,592.81</b>	<b>1,020.60</b>
VII. Extraordinary items		-	-
VIII. Profit before prior period items tax (VII-VIII)		<b>1,592.81</b>	<b>1,020.60</b>
Prior Period item		-	-
Profit before tax (VII-VIII)		<b>1,592.81</b>	<b>1,020.60</b>
VI. Tax Expense			
(i) Current Tax		408.48	271.94
(ii) Deferred Tax (Asset)/Liability		10.46	38.90
(iii) Tax Paid for Previous Years		(103.76)	-
VII. PAT from continuing Operations		<b>1,277.64</b>	<b>709.76</b>
VIII. EPS Per Equity Share in Rupees			
- Basic		13.66	10.82
- Diluted		13.95	10.98

The accompanying notes form an integral part of the financial Statements

In terms of our Report Attached  
For Rajani & co  
Chartered Accountants  
Firm Registration No.003433S

*V.T. Chandrasekharan*  
V T Chandhrasekharan  
Managing Director  
DIN:00628816

For and On Behalf of the Board of Directors  
*D Eswarakrishnan*  
D Eswarakrishnan  
Whole Time Director  
DIN:01739106

*Mahesh Jain*  
Mahesh Jain  
Partner  
M No. 229881  
UDIN: 24229881BKBIFB6776  
Place: Chennai  
Date : 12-06-2024

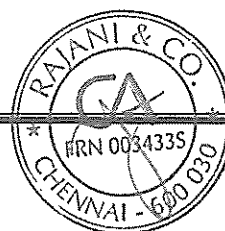


*S Shankar Ganesh*  
S Shankar Ganesh  
Chief Financial Officer

*Raja Devika Dhivya*  
Raja Devika Dhivya  
Company Secretary  
M No: A57110

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	31-Mar-24 Amount in ₹' Lakhs		31-Mar-23 Amount in ₹' Lakhs	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,592.81		1,020.60
Add :				
a) Depreciation and amortisation	549.05		398.11	
b) (Profit) / loss on sale / write off of assets	-		-	
c) Finance costs	888.16		837.30	
d) Provision for Warranty claim	30.10	1,467.31		1,235.41
		<b>3,060.12</b>		<b>2,256.01</b>
Interest income	8.29		9.50	
Other non operating income	1.77		26.06	
Net gain on Foreign Currency Transactions - Unrealised	64.35		119.12	
Bad Debts	(5.67)		(18.94)	
Write-off of Investment	(9.00)			
Gratuity Provision and Leave Encashment Provisions	(19.61)			
		40.13		135.74
<b>Operating profit / (loss) before working capital changes</b>		<b>3,020.00</b>		<b>2,120.27</b>
<b>Changes in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(299.65)		(428.72)	
Trade receivables	(353.61)		(419.96)	
Short-term loans and advances	(202.08)		284.22	
Long-term loans and advances	106.09		141.87	
Other current assets	(69.51)		85.37	
Other non-current assets	(4.99)		-	
		<b>(823.75)</b>		<b>(337.22)</b>
<b>Adjustments for (increase) / decrease in operating liabilities:</b>				
Trade payables	(242.26)		(290.55)	
Other current liabilities	96.46		704.56	
Other long-term liabilities	17.68		(27.29)	
Long term & Short-term Provisions	(103.14)		2.10	
		(231.27)		388.82
<b>Cash generated from operations</b>		<b>2,427.52</b>		<b>1,394.22</b>
Net income tax (paid) / refunds	(336.23)		(221.79)	
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>2,091.28</b>		<b>1,172.43</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(1,410.03)		(1,468.40)
Proceeds from sale of fixed assets		-		-
Investment in fixed deposits				
Long Term Investments		-		-
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(1,410.03)</b>		<b>(1,468.40)</b>



Particulars	31-Mar-24 Amount in ₹' Lakhs		31-Mar-23 Amount in ₹' Lakhs	
<b>C. Cash flow from financing activities</b>				
Proceeds from equity Share application money	448.92		-	
Proceeds from long-term borrowings (Net of repayments)	39.40		9.65	
Net increase / (decrease) in working capital borrowings	(256.09)		1,171.48	
Interest income	8.29		9.50	
Other non operating income	1.77		26.06	
Finance cost	(888.16)		(837.30)	
Dividends paid including tax	-		(27.46)	
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(645.88)</b>		<b>351.93</b>	
Net (increase) / decrease in Cash and cash equivalents (A+B+C)	35.37		55.95	
Cash and cash equivalents at the beginning of the year	185.40		129.45	
<b>Cash and cash equivalents at the end of the year</b>	<b>220.77</b>		<b>185.40</b>	
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	220.77		185.40	
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3				
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 16	220.77		185.40	
Cash and cash equivalents at the end of the year *				
* Comprises:				
(i) Cash on hand		0.17		0.69
(ii) In current accounts		95.04		66.47
(iii) In Deposit Accounts		125.55		118.24

See accompanying notes to the Financial Statements  
In terms of our Report Attached  
**Directors**  
For **Rajani & co**  
Chartered Accountants  
Firm Registration No.003433S

For and On Behalf of the Board of



**Mahesh Jain**  
Partner

M.No. 229881

UDIN: 24229881BKBIFB6776

Place : Chennai

Date : 12-06-2024

V T Chandhrasekharan  
Managing Director  
DIN:00628816

D Eswarakrishnan  
Whole Time Director  
DIN:01739106

S Shankar Ganesh  
Chief Financial Officer

Raja Devika Dhivya  
Company Secretary  
M No: A57110

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

### **1 Company Overview & Significant Accounting Policies**

#### **I (a) Company Overview**

Emrald Resilient Tyre Manufacturers Private Limited (the Holding Company) having CIN:U25111TN2002PTC048665 incorporated on 27th March 2002 under the provisions of the Companies Act, 1956, and having its registered office at **Emerald House, Plot No.2, 2nd Street, Porur Gardens, Phase I, Vanagram, Chennai - 600 095** (The Registered Office was changed from KRV House No 3, 9th Lane, Sastri Nagar, Adyar, Chennai 600020 vide resolution dated 21-10-2023).

The company's name changed from Emrald Resilient Tyre Manufacturers Private Limited to Emerald Resilient Tyre Manufacturers Private Limited vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 16-07-2018.

Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 25-11-2023 and the name was changed from Emerald Resilient Tyre Manufacturers Private Ltd to Emerald Resilient Tyre Manufacturers Ltd.

Subsequently one more special resolution was passed vide EGM Dated 11-01-2024 and the name of the Company was changed from Emerald Resilient Tyre Manufacturers Ltd to Emerald Tyre Manufacturers Limited ('the Company' or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 17-01-2024 by Registrar of Companies, Chennai with Corporate Identification Number U25111TN2002PLC048665.

The Company is engaged in the business of manufacturing and selling of Off the highway tyres for all Material Handling and other applications.

#### **I (b) Significant Accounting Policies**

##### **1 Basis of Preparation:**

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

##### **2 Revenue Recognition:**

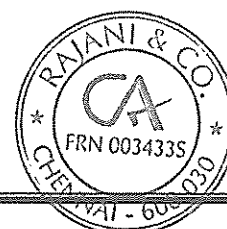
Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, service tax, excise duty, and sales during trail run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

**Interest Income :** Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

**Other Income :** Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

Export benefits are recognised on post shipment basis under prevalent schemes under exim/foreign trade policies



**3 Property Plant and Equipment Including Intangible Assets:**

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure if any, is capitalized if it increases the future economic benefits.

**4 Depreciation & Amortisation:**

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight Line Value (SLV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal. Leasehold land is amortized over the Lease period of the asset.

**5 Impairment of Assets:**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

**6 Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

**7 Foreign Currency Transactions:**

**Domestic Operation:**

**I . Initial Recognition :**

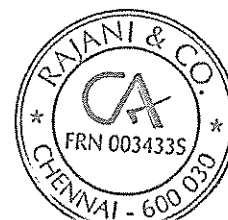
A foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**II . Measurement :**

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried 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 carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.



### **III . Treatment of Foreign Exchange :**

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

#### **8 Employee Benefits:**

##### **Defined Contribution Plan:**

The Company provides for ESI, PF and Super annuation Plan for eligible employees for which the company makes contribution on monthly basis and the same is charged to profit and loss Account.

##### **Defined Benefit Plan:**

The Company provides for Gratuity, a Defined benefit plan (The Gratuity Plan) covering eligible employees in accordance with payment of Gratuity Act, 1972. Gratuity liability is a defined benefit obligation and is funded through LIC of India. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year. The expenditure is passed to Profit and Loss account

#### **9 Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

##### **A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. As per the provisions applicable, MAT Assets are not recognised.

##### **B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

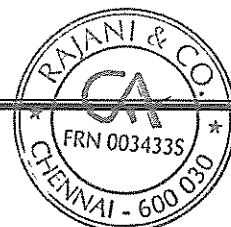
Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

#### **10 Provisions and Contingent Liabilities:**

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **11 Earnings Per Share:**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the





average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**12 Cash and Bank Balances:**

Cash and cash equivalents comprise cash and current deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. **Other Bank Balances:** All Deposits having a maturity period of More than 3 months and less than 12 months are taken in Other Bank Balances

**13 Cash Flow Statement:**

Cash flows are reported using indirect method, whereby net profit/loss before tax 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**14 Inventory**

Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**15 Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Mutual Funds are stated at Cost i.e Invested Value.

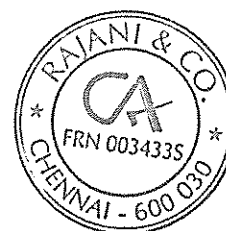
Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis. Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

**16 Research And Development Expenses**

Revenue expenditure on R&D is charged to Profit and Loss account as incurred. Capital expenditure on assets acquired for Research and development is added to PPE and expenditure incurred on product development is capitalised and amortized over the period of 5 Years from the date of Capitalisation.

**17 Warranty**

Provision is made for estimated warranty claims in respect of product sold which are still under warranty at the end of the reporting year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims to differ from historical amounts.



**Note -2. SHARE CAPITAL**

Particulars	31-03-2024		31-03-2023	
	Number of shares	In ₹' Lakhs	Number of shares	In ₹' Lakhs
<b>(a) Authorised</b>	<b>2,50,00,000</b>	<b>2,500.00</b>	<b>1,40,00,000</b>	<b>1,850.00</b>
2,50,00,000 Equity Shares of Rs.10 each#	2,50,00,000	2,500.00	1,35,00,000	1,350.00
5,00,000 15% Cumulative Non Convertible Redeemable Preference Share Of Rs.100/- Each	-	-	5,00,000	500.00
<b>(b) Issued, Subscribed and Paid up</b>	<b>1,44,90,512</b>	<b>1,449.05</b>	<b>65,60,489</b>	<b>656.05</b>
1,44,90,512 (PY 65,60,489) Equity Shares of Rs.10 each	1,44,90,512	1,449.05	65,60,489	656.05
<b>Total</b>	<b>1,44,90,512</b>	<b>1,449.05</b>	<b>65,60,489</b>	<b>656.05</b>

# During the year, reclassification of the Authorized Share Capital of the Company from Rs.18,50,00,000 /- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,35,00,000 (One Crore Thirty Five Lakhs) Equity Shares of Rs.10/- each and 5,00,000 15% Non-Convertible Redeemable Preference Shares of Rs.100/- each to Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10 / - each and further increase in the Authorised Share Capital of the Company from Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10/- each to Rs.25,00,00,000 (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs.10 /- each vide Resolution passed by the Shareholders of the company at the Extra Ordinary General Meeting held on 18/09/2023.

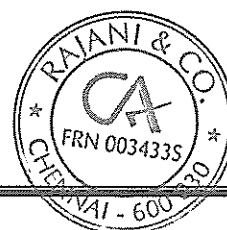
**List of Shareholders holding more than 5% share capital**

Name of Shareholders	No. of Shares Equity Shares	%	Value/Share	In ₹' Lakhs
V Thirupathi	17,01,000	11.74%	10.00	170.10
V T Chandhrasekharan	68,71,948	47.42%	10.00	687.19
Karthikeyan Swarnam	11,28,080	7.78%	10.00	112.81
Rajasthan Global Securities Private Limited	17,83,384	12.31%	10.00	178.34
<b>TOTAL</b>	<b>1,14,84,412</b>	<b>79.25%</b>		<b>1,148.44</b>

**NOTE 2A. SHARES HELD BY PROMOTORS**

Current Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Mr. V.Thirupathi	17,01,000	11.74%	-1.22%
2	Mrs.T.Kannaki	6,80,000	4.69%	-0.49%
3	Mr.V.T.Chandhrasekharan	68,71,948	47.42%	-4.95%
4	Mr.V.T.Srinivas	5,45,880	3.77%	-0.39%

Previous reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Mr. V.Thirupathi	8,50,500	12.96%	-24.98%
2	Mrs.T.Kannaki	3,40,000	5.18%	-16.88%
3	Mr.V.T.Chandhrasekharan	34,35,974	52.37%	43.77%
4	Mr.V.T.Srinivas	2,72,940	4.16%	0.00%



NOTE- 2B. STATEMENTS OF CHANGES IN EQUITY

Current Reporting Period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year*	Balance at the end of the current reporting period
65,60,489			79,30,023	1,44,90,512

Previous reporting Period				
Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
65,60,489				65,60,489

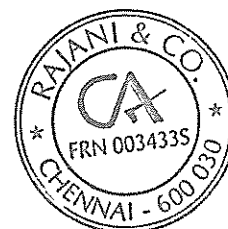
**Note:\***

1. Fresh Issue of 6,06,642 shares of Rs 10/- each at premium of Rs 64 /-
2. Bonus issue of 71,67,131 shares at the Ratio of 1:1
3. 10 Year 15% 1,56,250 Compulsorily Convertible Debenture (CCDs) of Rs.160/- each Converted into 1,56,250 Equity shares of Rs.10/- each with a premium of Rs.150/-

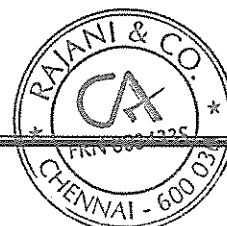
**TERMS ATTACHED TO SHARES:**

**Equity Shares:**

The Equity Shares have a par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of Equity Shares held.



Note No.	Particulars	31-03-2024 In ₹' Lakhs	31-03-2023 In ₹' Lakhs
<b>3. Reserve and Surplus</b>			
<b>3.1 Securities Premium Account</b>			
	Opening Balance	1,062.79	1,062.79
	Add: Received During the Year**	622.63	-
	Less: Utilized for bonus issue during the Year	216.71	-
	<b>Closing Balance</b>	<b>1,468.70</b>	<b>1,062.79</b>
<b>3.2 General Reserve</b>			
	Opening Balance	181.00	181.00
	Add: Transfer from Surplus in statement of P & L A/c.	177.76	-
	<b>Closing Balance</b>	<b>358.76</b>	<b>181.00</b>
<b>3.4 Capital Redemption Reserve Account</b>			
	Opening Balance	500.00	500.00
	Add: Transfer from Preference Share Redemption Reserve	-	-
	Less: Utilized for bonus issue during the Year	500.00	-
	<b>Closing Balance</b>	<b>-</b>	<b>500.00</b>
<b>3.5 Surplus - Balance in Statement of P&amp;L Account</b>			
	Opening Balance	2,367.48	1,657.71
	Add: Transfer Due to Amalgamation	-	-
	Add: PAT For the year	1,277.64	709.76
	Less: Appropriations -		
	Less: Proposed Dividend on Equity Shares	144.91	-
	Less: Transfer to General Reserves	177.76	-
	<b>Closing Balance</b>	<b>3,322.45</b>	<b>2,367.48</b>
	<b>Total</b>	<b>5,149.91</b>	<b>4,111.27</b>
<b>4. Long Term Borrowings</b>			
<b>4.1 Secured Loans</b>			
	Term Loans.		
	<i>From Banks</i>		
	<b>State Bank of India</b>		
	Term Loan VI	457.32	385.65
	Guaranteed Emergency Credit Line	55.03	187.15
	Guaranteed Emergency Credit Line 1.0	339.13	370.00
	Other Term Loan accounts	125.24	4.11
	<i>From NBFCs</i>	-	-
	Tata Capital Financial Services	581.50	887.20
	Samunnati Financial Intermediation & Services Pvt Ltd	717.93	631.58
<b>4.2 Unsecured Loans</b>			
	<b>Debentures</b>		
	Compulsory Convertible Debentures	-	250.00
	<b>Term loan</b>		
	From Banks	65.23	121.89
	Other Than Banks	1,443.59	1,210.20
	<b>Total</b>	<b>3,784.97</b>	<b>4,047.79</b>
	Less : Current Maturities of Long Term Debts	1,737.09	1,789.31
	<b>Grand Total</b>	<b>2,047.88</b>	<b>2,258.48</b>



**a) Term Loans from SBI are secured by: -**

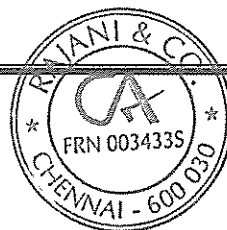
1. Equitable Mortgage by deposit of title deeds of 6.25 acres of Leasehold Land situated at Plot #79 & 3.80 acres of Leasehold Land at Plot # 80, EPIP, Sipcot Industrial Complex, Gummidipoondi.
2. Equitable Mortgage over superstructures constructed on Leasehold Land mentioned above.
3. Hypothecation of Plant & Machinery created/ to be created out of term loans.

**a. The Term Loans from SBI are also collaterally secured by:-**

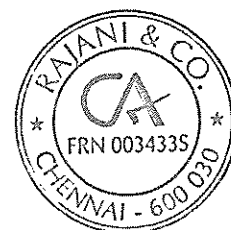
4. Hypothecation of movable fixed assets belonging to Mixing division.
  5. Equitable Mortgage by deposit of title deeds of 3380 sqft land and residential house thereon situated at #3, Ninth Lane, Shastri Nagar, Adyar, Chennai in the name of Mr V Thirupathi
  6. Pledge of 939,500 shares of the face value of Rs 10/- each of Emerald Resilient Tyre Manufacturers P Ltd, owned by Mr V Thirupathi and his family members.
  7. Hypothecation of movable fixed assets of the company (present & future).
  8. Personal Guarantee of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrashekharan & Mr V T Srinivas.
- b) Bank Borrowings are secured by way of hypothecation of all the Current Assets of the company. The above loans are additionally secured by the collateral securities given to the Term Loans provided by the bank. The loans are also secured by the Personal Guarantees of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrashekharan & V T Srinivas.
- c) Equipment Finance from Tata Capital Financial Services Limited (TCFSL) are secured by, Hypothecation of Machinery Purchased out of TCFSL Fund and unconditional & irrevocable personal guarantees of Mr V Thirupathi, Mrs T Kannaki and Mr V T Chandrasekharan.
- d) Subservient charge on all present and future current and fixed assets of the company & Personal Guarantees of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrasekharan and Mr V T Srinivas.



Note No.	Particulars	31-03-2024 In ₹' Lakhs	31-03-2023 In ₹' Lakhs
5.	<b>Deferred Tax Liabilities (Net)</b>		
	Opening Balance (Net)	262.80	223.90
	On difference between book balance and tax balance of fixed asset	10.46	38.90
	<b>Net Deferred Tax Liability</b>	<b>273.26</b>	<b>262.80</b>
6.	<b>Other Long-Term Liabilities</b>		
	Deposits from Dealers	123.70	141.38
	<b>Total</b>	<b>123.70</b>	<b>141.38</b>
7.	<b>Long Term Provisions</b>		
	Provision for Leave encashments	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
8.	<b>Short Term Borrowings</b>		
8.1	<b>1. Secured Loans</b>		
	<i>Repayable on Demand</i>		
	<b>From Banks</b>		
	<i>State Bank of India</i>		
	Cash Credit	642.75	580.43
	Export Packing Credit	2,497.71	2,500.14
	Stand By Limit	150.00	150.00
	LC payable (Not due)	325.44	338.42
	Bill Discounting	44.59	-
8.2	<b>Current Maturities of Long Term Debts</b>	-	-
	<b>Secured</b>		
	SBI - Term Loan	98.04	
	SBI - Guaranteed Emergency Credit Line	55.03	132.11
	SBI - Guaranteed Emergency Credit Line 1.0	123.36	30.83
	Tata Capital Term Loan	305.70	305.70
	Samunnati Financial Services	443.23	
	<b>Unsecured</b>	-	
	Super Auto Forge - Unsecured Loan	-	459.80
	Unsecured Loans - Banks	33.60	56.66
	Unsecured Loans - NBFC	678.13	804.20
	Loan from Shareholders	-	295.38
	<b>Total</b>	<b>5,397.58</b>	<b>5,653.67</b>
9.	<b>Trade Payables</b>		
	Micro and Small Enterprises	576.39	575.29
	Trade Payables	1,433.06	1,191.90
	<b>Total</b>	<b>2,009.45</b>	<b>1,767.19</b>
10.	<b>Other Current Liabilities</b>		
i	TDS Payable	36.00	43.72
ii	Advances from Customers	19.02	92.34
iii	Capital Goods Suppliers	42.11	99.58
iv	Expense payable	87.17	45.12
	<b>Total</b>	<b>184.30</b>	<b>280.76</b>

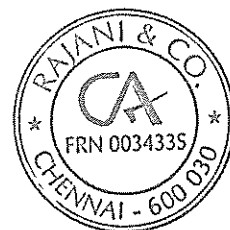


Note No.	Particulars	31-03-2024 In ₹' Lakhs	31-03-2023 In ₹' Lakhs
11.	<b>Short Term Provisions</b>		
	<i>Provision for Employees Benefits</i>		
	Contribution to Provident Fund	9.08	8.41
	Gratuity & Superannuation Fund	-	13.37
	Provision for Leave encashment	27.60	-
	Bonus	30.93	27.50
	Salaries & Wages Payable	80.02	47.56
	LTA Payable	22.41	20.36
	Contribution to ESI	0.68	0.85
	Provision for Warranty Claim	30.10	
	Others Short Term Provisions	84.53	14.46
	<i>Others</i>		
	Provision for Taxation (Net of Advance Taxes and Credits)	210.26	241.78
	Provision for Proposed Dividend for Equity Shares	144.91	
	Provision for Distribution Tax on Dividend	-	
	<b>Total</b>	<b>640.51</b>	<b>374.28</b>



Note No.12 Property, Plant & Equipment As per Companies Act For the Year Ended

Sl. No	Particulars	Gross Block			Depreciation			Net Block			
		WDV as on 01-04-2023	Additions	Deletion	Gross Block 31-03-2024	Depreciation as at 31-03-2023	Depreciation For the year	Depreciation Deletion	Net Block 31-03-2024	Net Block 31-03-2023	
Tangible Assets											
a)	Land - Leasehold	67.11	11.66	5.81	72.96	5.58	6.62		10.01	63.95	63.73
b)	Buildings	853.25	487.00		1,340.26	413.51	25.16		438.47	901.79	439.94
c)	Plant and Equipments	8,394.12	475.94		8,869.06	4,576.21	441.48		5,017.69	3,850.37	3,817.91
d)	Furniture & Fixtures	89.46	4.40		93.86	85.02	1.77		86.79	7.07	4.44
e)	Vehicles	91.36	155.03		244.41	53.77	25.87		79.64	164.77	37.62
f)	Office Equipment										
1	Computer	116.95	12.89		129.85	98.76	14.61		113.37	16.48	18.19
Sub total (Tangible Assets)		9,612.28	1,142.91	5.81	10,749.38	5,230.46	515.50	-	5,745.96	5,003.42	4,381.83
Intangible Assets											
1	Softwares (Amortization)	75.23	41.55		116.78	62.82	2.58		65.41	51.37	12.41
2	Product Development	273.96	275.80		547.76	148.61	30.97		179.58	368.18	125.95
Capital Work In Progress		684.48	766.33	808.74	642.06	-			-	642.06	684.48
Grand Total		10,645.95	2,224.59	814.56	12,055.99	5,441.89	549.05	-	5,990.94	6,065.04	5,204.06





Note No.	Particulars	31-03-2024 In ₹ Lakhs	31-03-2023 In ₹ Lakhs
13.	<b>Non Current Investment</b>		
	(Unquoted, At Cost)		
	Harvey Healthcare Limited*	-	9.00
	<i>Investments in Equity Instruments</i>		
	<b>In Subsidiaries</b>		
	Emrald Middle East FZE	29.58	29.58
	(200 shares at Dirhams 1000 Each)		
	Emrald Tyre Europe BV BA	489.33	489.33
	(3350 shares at Euro 186 Each)		
	(Quoted, At Cost)		
	<b>Investment in Mutual Funds</b>	100.00	100.00
	(127044.244 Units at Rs. 39.3544 Each & 199129.76 Units at Rs.25.1080 Each)		
	<b>Total</b>	<b>618.91</b>	<b>627.91</b>

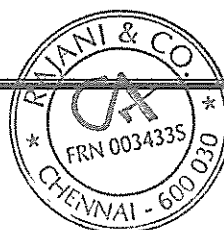
Note:

\* Investment has been written off and share investment details are not available with the company

**Investment in Mutual Funds as on 31 March 2024**

Name of the Fund	Units	Amount NAV Rs.
SBI Magnum Medium Duration Fund - Regular Growth	127044.24400	44.59
SBI short Term Debt Fund Regular Plan Growth	199129.76000	28.06

14.	<b>Long Term loans and advances</b>		
	Security Deposits	249.77	205.14
	Advances for Capital Goods & Others	1.28	152.00
	<b>Total</b>	<b>251.05</b>	<b>357.14</b>
15	<b>Other Non Current Assets</b>		
	Group Gratuity Scheme	4.99	-
	<b>Total</b>	<b>4.99</b>	<b>-</b>
16	<b>Current Investments</b>		
	<b>Total</b>		
17	<b>Inventories</b>		
	Raw Materials	453.36	445.38
	Work-in-Progress	1,224.96	1,230.44
	Finished Goods	3,035.68	2,827.46
	<i>Stores and Spares</i>		
	Engineering Spares	298.13	209.21
	<b>Total</b>	<b>5,012.13</b>	<b>4,712.48</b>
18	<b>Trade Receivables</b>		
	Considered good- Secured	-	-
	Considered good- Unsecured	4,514.22	4,101.93
	<i>Refer note 46 for due from related parties</i>		
	<b>Total</b>	<b>4,514.22</b>	<b>4,101.93</b>



Note No.	Particulars	31-03-2024 In ₹ Lakhs	31-03-2023 In ₹ Lakhs
19	<b>Cash and Bank Balances</b>		
	<u>Cash &amp; Cash equivalent consist of :</u>		
19.1	Cash on Hand	0.17	0.69
	In current Accounts	95.04	66.47
19.2	<i>Other Bank Balances</i>		
	In Deposit Accounts (Lien with SBI)	125.55	118.24
	(Fixed Deposit with SBI which is renewable every year)		
	<b>Total</b>	<b>220.77</b>	<b>185.40</b>
20	<b>Short Term loans and Advances</b>		
	GST Balance with Department	303.41	121.01
	Due from Company under same Management	-	-
	Advance to Others	0.02	-
	Prepaid Expenses	100.91	35.34
	Staff Loans	4.99	35.44
	TDS Receivables from NBFC	19.67	35.12
	<b>Total</b>	<b>428.99</b>	<b>226.91</b>
21	<b>Other Current Assets</b>		
	Govt. Subsidies - Receivables	159.56	90.04
	<b>Total</b>	<b>159.56</b>	<b>90.04</b>



a) Trade Payables ageing schedule For the period ended March 31,2024

In ₹ Lakhs

Particulars	Outstanding for following periods				Total
	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	576.39				576.39
(ii) Others	1,433.06				1,433.06
<b>Disputed</b>					
(i) MSME					
(ii) Others					
<b>Total</b>	<b>2,009.45</b>	<b>-</b>	<b>-</b>		<b>2,009.45</b>

b) Trade Payables ageing schedule For the year ended March 31, 2023

In ₹ Lakhs

Particulars	Outstanding for following periods				Total
	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	575.29				575.29
(ii) Others	1,191.90				1,191.90
<b>Disputed</b>					
(i) MSME					
(ii) Others					
<b>Total</b>	<b>1,767.19</b>	<b>-</b>	<b>-</b>		<b>1,767.19</b>

Disclosure as required by MSMED Act, 2006

In ₹ Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
a) (i) The principal amount thereon, remaining unpaid to any supplier as at the end of accounting year	576.39	575.29
(ii) The interest due thereon, remaining unpaid to any supplier as at the end of accounting year	-	-
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-
	<b>576.39</b>	<b>575.29</b>

**Note:** The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors within contractual period which is exceeding the contractual time-limit as per MSMED Act, 2006 and the amount payable to them are agreed between the company and the vendors considering the contractual credit period and hence, no interest is payable.



**A.Trade Receivables ageing schedule For  
the period ended March 31, 2024**

**In ₹' Lakhs**

Particulars	Outstanding for following periods from due date of payment					
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered good	3,238.34	123.53	735.76	270.88	145.71	4,514.22
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
<b>Total:</b>	<b>3,238.34</b>	<b>123.53</b>	<b>735.76</b>	<b>270.88</b>	<b>145.71</b>	<b>4,514.22</b>

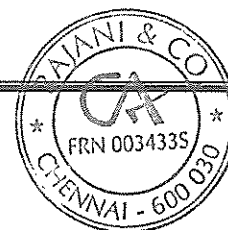
**A.Trade Receivables ageing schedule For  
the year ended March 31, 2023**

**In ₹' Lakhs**

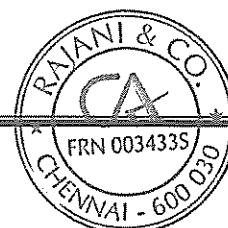
Particulars	Outstanding for following periods from due date of payment					
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered good	3,635.66	97.61	76.73	291.93	-	4,101.93
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
<b>Total:</b>	<b>3,635.66</b>	<b>97.61</b>	<b>76.73</b>	<b>291.93</b>	<b>-</b>	<b>4,101.93</b>



Note No.	Particulars	31.03.2024 In ₹' Lakhs	31.03.2023 In ₹' Lakhs
<b>22</b>	<b>Revenue from Operations</b>		
<b>22.1</b>	<b>Sale of Products</b>		
	Domestic	4,014.43	3,790.43
	Export	11,033.91	11,003.02
<b>22.2</b>	<b>Other Operating Income</b>		
	Fitment Charges	1.72	5.59
	Focus/MEIS Market Benefit	70.77	41.82
	Duty Drawback on Export	270.72	263.30
	<b>Total</b>	<b>15,391.55</b>	<b>15,104.16</b>
<b>23</b>	<b>Other Income</b>		
<b>23.1</b>	Interest on Deposits	8.29	9.50
<b>23.2</b>	DDP Charges on Exports	-	
<b>23.3</b>	Reversal of Leave Encashment Provision	-	
<b>23.4</b>	Miscellaneous income	1.77	26.06
<b>23.5</b>	Net Gain on Foreign Currency Transactions	64.35	119.12
	Prior Period Items	138.13	
	<b>Total</b>	<b>212.53</b>	<b>154.68</b>
<b>24</b>	<b>Cost of Materials Consumed</b>		
	Opening Stock of Raw Materials	445.38	397.36
	Opening Stock of Engineering Spares	209.21	150.52
	Purchases of Raw Materials	8,983.45	9,831.04
	Purchases of Engineering Spares	285.02	286.45
	Closing Stock of Raw Materials	453.36	445.38
	Closing Stock of Engineering Spares	298.13	209.21
	<b>Consumption:</b>		
	Natural Rubber and Rubber Products	8,975.47	9,783.02
	Engineering Spares	196.11	227.76
	<b>Total</b>	<b>9,171.57</b>	<b>10,010.79</b>
<b>24.1</b>	<b>Changes in Inventories of Work in progress , Finished goods &amp; Stock-in-trade</b>		
	<b>Opening Stock</b>		
	Finished Goods	2,827.46	2,481.90
	Work-in-Progress	1,230.44	1,244.94
	<b>Closing Stock on</b>		
	Finished Goods	3,035.68	2,827.46
	Work-in-Progress	1,224.96	1,230.44
	<b>Changes in Inventory (Decrease)/ Increase</b>	<b>(202.75)</b>	<b>(331.06)</b>
<b>25</b>	<b>Employee Benefits Expense</b>		
<b>25.1</b>	Salaries and Wages	1,512.32	1,501.59
<b>25.2</b>	Contribution to Gratuity	13.21	
<b>25.3</b>	Contribution to PF and ESI	94.73	85.63
<b>25.4</b>	Staff Welfare	210.00	124.96
	<b>Total</b>	<b>1,830.26</b>	<b>1,712.18</b>



<b>26</b>	<b>Finance Cost</b>		
	<b>Interest Expense</b>		
<b>26.1</b>	Term Loan	168.58	53.50
<b>26.2</b>	Other Interests	346.88	455.95
<b>26.3</b>	Interest on late payment of taxes	25.61	-
<b>26.4</b>	Other Borrowing Costs	347.08	327.85
	<b>Total</b>	<b>888.16</b>	<b>837.30</b>
<b>27</b>	<b>Depreciation and Amortization Expense</b>		
	Depreciation of Fixed Assets	514.72	383.19
	Amortization Expense	34.33	14.92
	<b>Total</b>	<b>549.05</b>	<b>398.11</b>
<b>28</b>	<b>Other Expenses</b>		
	<b>Other Direct Expenses</b>		
	Power - EB	463.96	432.83
	Packing Materials	28.44	16.50
	Insurance	33.41	25.82
	Mixing Charges/Rim Processing Charges	154.61	139.80
	Factory Expenses	32.90	23.59
	Freight Inwards & Cartage	125.90	119.79
	Machinery Maintenance Expenses	99.24	92.42
	<b>Sales and Admin Expenses</b>	-	
	Import Documentation Charges	25.58	2.68
	Travelling & Conveyance Expenses	46.11	25.39
	Export freight Charges	23.60	51.58
	Export Documentation Charges	178.13	219.91
	Export Commission	69.22	
	Warranty Claim Provision	30.10	
	Marketing & Sample Tyres Expenses	61.21	52.72
	Discount on Sales	9.25	15.54
	ECGC Premium	29.88	30.45
	Export Non-Realisation Duty Draw Back Return Provision	14.85	-
	Advance Price Ruling Fee	-	15.00
	Freight Outwards	46.75	33.54
	Postages & Telegram	0.89	0.71
	Software Renewal/AMC/Cloud Server	20.86	21.99
	Telephone Expenses	8.07	9.55
	CSR Expenses	12.38	6.00
	Bad Debts	14.67	18.94
	Overseas Travel & Expo Expenses	29.46	30.19
	Tyre Compensation	7.95	5.93
	Computer & Software Maintenance Expenses	2.77	1.65
	Internal Audit Fee	4.90	
	Directors Sitting Fee	3.75	
	Auditors Remuneration	1.90	1.85
	Product Liability Insurance	26.83	8.33
	Legal, Professional & Consultancy Charges	80.16	70.41
	Vehicle Repairs & Maintenance	4.77	4.03
	Printing & Stationery	9.69	9.27
	Office Rent	11.67	12.94
	Registration & Licence fees	10.97	28.05
	Other misc. Expenses	50.15	83.49
		<b>1,774.97</b>	<b>1,610.92</b>



**29 Contingent Liabilities and Commitments (to the extent not provided for):****A. Contingent Liabilities****In ₹' Lakhs**

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debt	423.37	515.67
Bank Guarantees - Related to performance guarantee in various contracts	NIL	NIL
Other money for which the company may be contingently liable	-	-
(LUT) Raw Materials imported under advance authorization scheme of DGFT,	205.82	205.82
LUT for Capital Goods imported under EPCG advance authorization scheme of DGFT	-	56.92
<b>Total</b>	<b>629.19</b>	<b>778.41</b>

1. On 21st February 2017, under Section 143(3) of the Income Tax Act 1961, for the assessment year 2014, a scrutiny assessment notice/demand was issued with a tax amount of Rs. 22.79 lakhs, totalling Rs. 22.79 lakhs, which is pending.

2. On 12th February 2021, under Section 143(3) of the Income Tax Act 1961, for the assessment year 2018, a scrutiny assessment notice/demand was issued with a tax amount of Rs. 3,05.32 Lakhs and interest of Rs. 68.70 Lakhs totalling Rs. 374.02 lakhs, which is pending.

3. On 30th April 2020, under Section 143(1A) of the Income Tax Act 1961, for the assessment year 2019, an intimation of income was issued with a tax amount of Rs. 7.75 lakhs, interest of Rs. 2.09 lakhs, totalling Rs. 9.85 lakhs, which is pending.

4. On 19th June 2017, under Section 143(1B) of the Income Tax Act 1961, for the assessment year 2015, a best judgment assessment notice/demand was issued with a tax amount of Rs. 6.59 lakhs, interest of Rs. 4.08 lakhs, totalling Rs. 10.67 lakhs, which is pending.

5. On 19th June 2017, under Section 143(1B) of the Income Tax Act 1961, for the assessment year 2015, a best judgment assessment notice/demand was issued with a tax amount of Rs. 3.73 lakhs, interest of Rs. 2.31 lakhs, totalling Rs. 6.04 lakhs, which is pending.

**30 Proposed Dividend Details:**

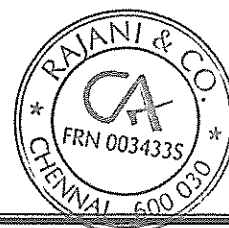
The Company has proposed a dividend of 10% of the Face Value of Rs.10 Per share during the year which is subject to the approval of Members at the ensuing AGM

**31 Securities were issued during the year as mentioned in Note 2 B.**

The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have a value which can be realized in the ordinary course of business and equals to the amount at which they are stated.

**33 Details of Benami Property Held:**

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).



**34** The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with banks and financial institutions are done periodically. The amounts as per the quarterly return of inventories and book debts submitted to the banks were lower than the amounts as per the books of account and accordingly did not affect the drawing power and the required security cover computed in accordance with the sanctioned terms.

**35 Wilful Defaulter:**

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

**36 Relationship with Struck off Companies:**

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

**37 Compliance with Number of Layers of Companies:**

The Company has Two wholly owned subsidiaries namely Emerald Middle East FZE and Emerald Tyres Europe BV. WOS are under the exceptions of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

**38 Compliance with Approved Scheme(s) of Arrangements:**

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**39 Utilisation of Borrowed Funds and Share Premium:**

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





**40 Payment to the Auditor:**

Particulars	In ₹' Lakhs	
	For the period ended	For the year ended
	March 31, 2024	March 31, 2023
Statutory Audit Fees & Tax Audit Fees	1.65	1.60
Tax Audit Fees	0.25	0.25
Other Matters	-	-
<b>Total</b>	<b>1.90</b>	<b>1.85</b>

**41 Corporate Social Responsibility:**

The applicability towards CSR has commenced from this financial year 2022-23 onwards and the company is taking required steps to comply with Corporate Social Responsibility (CSR) as provisions of Section 135 of the companies act, 2013.

Particulars		March 31, 2024 Amount in ₹ 'Lakhs	March 31, 2023 Amount in ₹ 'Lakhs
a)	Amount required to be spent by the company during the year	12.38	5.67
b)	Amount of expenditure incurred,*	12.38	6.00
c)	Shortfall at the end of the year,	-	-
d)	Total of previous years shortfall	-	-
e)	Reason for shortfall	-	-
f)	Nature of CSR activities,	Healthcare	Healthcare
g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	No Related Party Involved	No Related Party Involved
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

\*Note: Amount Spent till before end of the Financial Year ₹ 12,37,690/- for the year 2023-2024



- 42 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

**43 Undisclosed Income:**

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

**44 Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**45 Dues to Micro, Small and Medium Enterprise (MSME):**

The dues towards micro, small and medium enterprises have been disclosed in the scheduled to balance sheet.

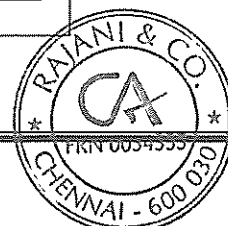
**Registration of Charges or Satisfaction with registrar of Companies:** There are no charges or satisfaction yet to be registered with Registrar of Companies

- 46 beyond the statutory period except for vehicle loans availed by the Company for which the company has filed compounding application under the provisions of the companies act, 2013.

**47 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the key managerial personnel/Entity	Relationship
Mr.V.T.Chandhrasekharan	Chairman & Managing Director
Mr.D.Eswara Krishnan	Whole Time Director
Mr.V.Krishnaram	CEO
Mr S Shankar Ganesh	CFO
Mrs S N Satiya Priya (Resigned 29th Feb 2024)	Company Secretary cum Compliance Officer
Mrs. Raja Devika Dhivya (Appointed 07th March 2024)	Company Secretary cum Compliance Officer
<b><u>Subsidiaries</u></b>	
Emrald Middle East FZ LLC	Wholly Owned Subsidiaries
Emrald Tyres Europe BVBA	Wholly Owned Subsidiaries
<b><u>Entities in which Director/KMP/ Relatives of KMP can exercise significant influence</u></b>	



Emrald Herbs and Plants Private Ltd	
Emrald Bio Fertilisers Private Ltd	

**A. List of Other Related parties**

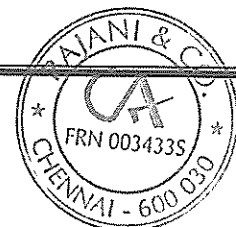
Name of the key managerial personnel/Entity	Relationship
Mr.V.Thirupathi	Father of Chairman and MD
Mr.V T Srinivas	Brother of Chairman and MD
S A Rubber Engineering PTY Ltd	Company Owned by Brother of Chairman and MD

**B. Transactions with related parties**

(All amounts are in ₹.

Particulars	lakhs)	
	For the Year Ended 31-March-2024	For the Year Ended 31-March-2023
<b>Sales to WOS</b>		
Emrald Middle East FZ LLC	302.21	244.56
Emrald Tyres Europe BVBA	2,816.87	2,738.12
<b>Sales to Other Related Party</b>		
S A Rubber Engineering PTY Ltd	73.58	232.51
<b>Key management Personal</b>		
<b>Remuneration Paid to</b>		
Mr.V.T.Chandhrasekharan	78.45	61.26
Mr.D.Eswara Krishnan	52.66	36.70
Mr.V.Thirupathi (Till 28th July 2022)	-	18.90
<b>Salary Paid</b>		
Mr.V.Krishnaram	69.60	58.00
Mr S Shankar Ganesh	21.28	16.87
Mrs S N Satiya Priya (Resigned 29th Feb 2024)	2.40	2.40
Mrs. Raja Devika Dhivya (Appointed 07th March 2024)	1.19	-
<b>Rent Paid</b>		
Mr.V.T.Chandhrasekharan	9.60	9.60
Mr.V T Srinivas	1.44	1.44
<b>Other Than KMP</b>		
Mr.V.Thirupathi (Consultancy Charges)	60.60	37.80
Mr.V T Srinivas (Salary)	67.82	52.30

[75]



<b>Total</b>	<b>365.03</b>	<b>295.27</b>
<b>Trade Receivable From</b>		
Emrald Middle East FZ LLC	696.73	418.78
Emrald Tyres Europe BVBA	1,431.72	1,660.26
S A Rubber Engineering PTY Ltd	527.74	571.68
<b>From KMP</b>		
<b>Krishnaram - CEO</b>		
Salary and Travel Advance	-	8.95
<b>Payable to</b>		
Loan Outstanding From Mr Thirupathi	-	295.38

**48 Income Taxes:**

**I. Minimum Alternate Tax**

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

**II. Current Tax**

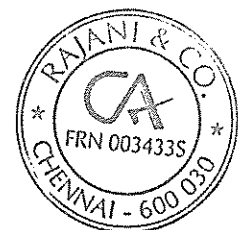
*(All amounts are in ₹. lakhs)*

<b>Particulars</b>	<b>For the period ended</b>	<b>For the year ended</b>
	<b>March 31, 2023</b>	<b>March 31, 2023</b>
Current Tax	408.48	271.94
Add: Tax Adjustment for earlier years	(103.76)	-
<b>Net Current Tax</b>	<b>304.71</b>	<b>271.94</b>

**49 Exchange Difference:**

*(All amounts are in ₹. lakhs)*

<b>Particulars</b>	<b>For the period ended</b>	<b>For the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Exchange Difference	64.35	119.12
Gain/(Loss)		
<b>Total</b>	<b>64.35</b>	<b>119.12</b>



50 **Cash Flow Statement:**

- (1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was Rs.95.22 Lakhs that are available for use by Company excluding fixed deposits under lien.
- (2) Company does not have undrawn borrowing facilities that may be available for future operating activities.
- (3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- (4) Company is investing adequately in the maintenance of its operating capacity.
- (5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

**Additional Disclosures:**

*(All amounts are in ₹. lakhs)*

**I. Components of Cash and Cash Equivalents:**

**For the period ended**

	March 31, 2024	March 31, 2023	#
Cash on Hand	0.17	0.69	
Balance with Banks	95.04	66.47	
<b>Total Components of Cash and Cash Equivalents:</b>	<b>95.22</b>	<b>67.16</b>	

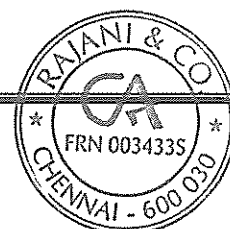
51 **Changes in Accounting Policies:**

There are no changes in Accounting policies made by the Company for the year ended 31st March 2024.

52 **Changes in Accounting Estimates:**

The company has changed the rates of Depreciation for Vehicles, Computers and Lab Equipment as per Depreciation Rates given in Schedule II.

Assets	Nature of the change in accounting estimate	Accumulated Depreciation Amount in ₹ Lakhs	Revised Accumulated Depreciation Amount in ₹ Lakhs	Effect of the Change Amount in ₹ Lakhs (Increase)/Decrease
Lab Equipments	Change in Useful Life as per Schedule II from 15 Years to 10 Years	92.09	121.83	(29.73)
Motor Vehicles	Change in Useful Life as per Schedule II	59.27	65.32	(6.06)



	from 10 Years to 8 Years			
Computer and EDP	Change in Useful Life as per Schedule II from 6 Years to 3 Years	118.00	127.72	(9.72)
<b>Total</b>				<b>(45.51)</b>

**Effect of the above Change for calculation of Deferred Tax**

Particulars	Amount in ₹ Lakhs
Additional Depreciation	(45.51)
Deferred Tax Asset	(11.45)

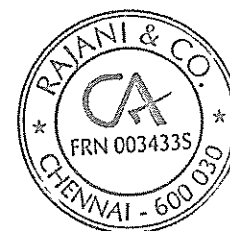
**Effect of the above Change in Profit**

Particulars	Amount in ₹ Lakhs
Profit Before Tax - Old	1,638.32
Profit Before Tax - Revised	1,592.81

**53 Disclosures on Property, Plant and Equipment and Intangible Assets:**

**I. Property, Plant and Equipment**

- (1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
- (2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (3) Company has no Impairment loss during the period for Property, Plant & Equipment.
- (4) Assets are periodically checked for active usage and those which are retired are written off.
- (5) There are no temporarily idle property, plant and equipment.
- (6) Intangible asset is amortised as per Schedule II.
- (7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.
- (9) The company has capital work-in-progress for machinery and ageing is represented below.



**Capital Work in Progress as on 31 March 2024**
*(Amount in ₹ Lakhs)*

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
<b>Projects in progress</b>					
- Machinery	345.58			296.48	642.06
<b>Projects in Suspended</b>					
<b>Total</b>					<b>642.06</b>

**Capital Work in Progress as on 31 March 2023**
*(Amount in ₹ Lakhs)*

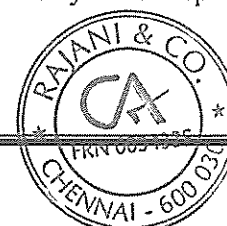
Particulars	Amount in CWIP for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
<b>Projects in progress</b>					
- Machinery	388.00			296.48	684.48
<b>Projects in Suspended</b>					
<b>Total</b>					<b>684.48</b>

**54 Earnings Per Share:**
*(All amounts are in ₹. lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
<b>1. Profit attributable to equity shareholders before extraordinary items (A)</b>	<b>1,277.64</b>	<b>709.76</b>
Add : Interest on Convertible Debentures (Post tax)	26.99	28.06
<b>2. Profit attributable to equity shareholders after extraordinary items (B)</b>	<b>1,304.63</b>	<b>737.82</b>
<b>3. Weighted average number of equity shares outstanding during the year including bonus shares (C) (in numbers)</b>		
- Basic	93,52,077	65,60,489
- Diluted	93,52,077	67,16,739
<b>4. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D) after bonus</b>	<b>13.66</b>	<b>10.82</b>
<b>5. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/D)</b>	<b>13.95</b>	<b>10.98</b>

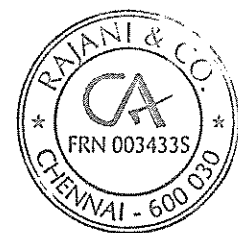
**55** Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

**56** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.



57 Ratios:

S.No	RATIOS	For the Period ended March 31, 2024	For the Year ended March 31, 2023	Variance	Reasons
a.	<b>Current Ratio</b> Current Assets / Current liabilities	1.26	1.15	8.83%	
b.	<b>Debt-Equity Ratio</b> Total Outside Liabilities / Total Shareholder's Equity	1.13	1.66	-32.02%	Increase in net worth
c.	<b>Debt Service Coverage Ratio*</b> EBITDA / (Interest + Principal repayments)	0.96	0.95	1.26%	
d.	<b>Return on Equity Ratio*</b> (Net Profit After Taxes - Preference Dividend if any) / Average Equity share holders fund	0.22	0.16	36.51%	Increase in profit margin
e.	<b>Inventory Turnover Ratio*</b> Cost of Goods Sold (or) Sales / Average Inventory	1.84	2.28	-19.24%	
e.	<b>Trade Receivables Turnover Ratio*</b> Credit Sales / Average Trade Receivables	3.57	4.25	-15.92%	
f	<b>Trade Payable Turnover Ratio*</b> Credit Purchases / Average Trade Payables	5.84	7.95	-26.56%	Increase in trade payables
g.	<b>Net Capital Turnover Ratio*</b> Sales / Average working capital	9.20	10.10	-8.88%	





S.No	RATIOS	For the Period ended March 31, 2024	For the Year ended March 31, 2023	Variance	Reasons
h.	<b>Net Profit (after tax) Ratio</b> Net Profit (after tax)/ Total Sales * 100	8.30%	4.70%	76.65%	Increase in profit margin
i.	<b>Return on Capital Employed*</b> (EBIT / Capital Employed) * 100	17.85%	14.50%	23.13%	
i.	<b>Return on Investment</b> Income generated from investments/ Total Investment*100	N.A	N.A		

See accompanying notes to the Financial Statements

In terms of our Report Attached

**Directors**

For **Rajani & co**

Chartered Accountants

Firm Registration No.003433S

**For and On Behalf of the Board of**

*V.T. Chandrasekharan*

V T Chandrasekharan  
Managing Director  
DIN:00628816

*D. Eswarakrishnan*

D Eswarakrishnan  
Whole Time Director  
DIN:01739106



*Mahesh Jain*  
Mahesh Jain  
Partner

MLNo. 229881

UDIN: 24229881BKBIFB6776

Place : Chennai

Date : 12-06-2024

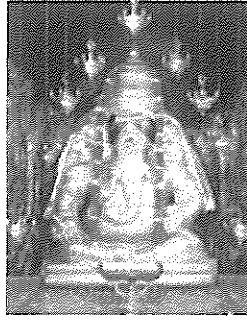
*S. Shankar Ganesh*

S Shankar Ganesh  
Chief Financial Officer

*Raja Devika Dhivya*

Raja Devika Dhivya  
Company Secretary  
M No: A57110

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**CONSOLIDATED FINANCIAL FOR THE YEAR 2023-2024**



## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF**

**EMERALD TYRE MANUFACTURERS LIMITED**

**(formerly known as Emerald Resilient Tyre Manufacturers P Ltd & Emerald Resilient Tyre Manufacturers Limited)**

### **Opinion**

We have audited the Consolidated financial statements of **Emerald Tyre Manufacturers Limited** ("the Company"), which comprise the Consolidated balance sheet as at 31<sup>st</sup> March 2024, and the Consolidated statement of Profit and Loss and Consolidated statement of cash flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 its Profit and its Cash Flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial Statements section of our report. We are independent of the 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 Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

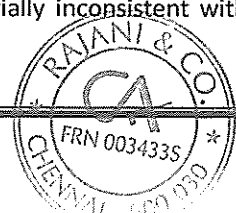
The Company has filed Draft Red Herring Prospectus on the EMERGE platform of the National Stock Exchange of India Limited and there was restatement of the Financial Statements for 3 Previous years and due to which there is an excess expenditure shown under prior period Item of Rs. 81.52 Lakhs. Our procedures and management's assessment undertaken are considered to be adequate.

### **Information other than the Consolidated financial statements and auditors' report thereon**

The Holding Company's management and board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to 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 Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the



Consolidated financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

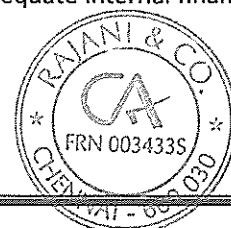
Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Other Matters**

We did not audit the financial statements of the 2 foreign subsidiaries, whose financial results include total assets of (before consolidation adjustments) Rs 2,893.18 lakhs, total revenue of (before consolidation adjustments) Rs 4,849.97 Lakhs and total net profit after tax of (before consolidation adjustments) Rs 111.89 lakhs. These financial statements have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

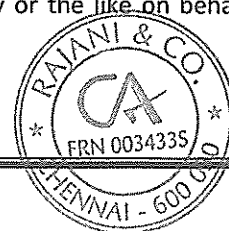
#### **Report on Other Legal and Regulatory Requirements**

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the holding Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports



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

- i) 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.
- j) 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.
- k) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- l) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- m) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act of the Holding Company.
- n) 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 A;
- o) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- p) 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:
- vii. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2024 on its financial position in its Consolidated financial statements;
- viii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- ix. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- x.
  - (a) The management has represented that, to the best of its knowledge and belief, other than disclosed in notes to the financial statement, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (b) The management has represented, that, to the best of its knowledge and belief, other than disclosed in notes to the financial statement, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that 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.
- xi. As stated in note 30 to the financial statements, the Board of Directors of the Company have 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.
- xii. As per reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Company with effect from 1<sup>st</sup> April 2023 is using accounting software for maintaining books of account which has features of recording audit trail (edit log) facility

**For Rajani & Co**  
**Chartered Accountants**  
**FRNo.003433S**

**Mahesh Jain,**  
**Partner**  
**M.No.229881,**  
**UDIN: 24229881BKBIFC6297**  
**Chennai, 12<sup>th</sup> June 2024**





## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

We have audited the internal financial controls with reference to Consolidated financial statements of **EMERALD TYRE MANUFACTURERS LIMITED** (formerly known as Emerald Resilient Tyre Manufacturers Limited) (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

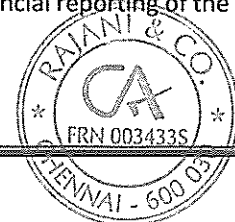
The Board of Directors of the company and its subsidiary companies are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's and its subsidiary companies which are incorporated outside India, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those financial statement and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are incorporated outside India.



### **Meaning of Internal Financial Controls with reference to Consolidated financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

- 4) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 5) 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
- 6) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

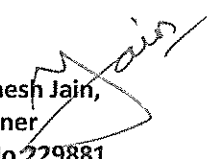
### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Rajani & Co**  
**Chartered Accountants**  
**FRNo.003433S**

  
**Mahesh Jain,**  
**Partner**  
**M.No.229881**  
**UDIN: 24229881BKBIFC6297**  
**Chennai, 12<sup>th</sup> June 2024**



**CONSOLIDATED AUDITED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

Particulars	Note No.	31-03-2024 Amount In Lacs		31-03-2023 Amount In Lacs	
<b>I EQUITY AND LIABILITIES</b>					
1. SHAREHOLDERS' FUND					
a Share Capital	2	1,449.05		656.05	
b Reserve and Surplus	3	3,965.91	5,414.96	2,788.85	3,444.90
2. NON CURRENT LIABILITIES					
a Long Term Borrowings	4	2,289.67		2,303.92	
b Deferred Tax Liabilities	5	273.26		262.80	
c Other Long Term Liabilities	6	123.70		141.38	
d Long Term Provisions	7		2,686.63		2,708.10
3. CURRENT LIABILITIES					
a Short Term Borrowings	8	6,428.61		6,162.48	
b Trade Payables	9	2,009.45		1,767.19	
c Other Current Liabilities	10	193.42		290.80	
d Short Term Provisions	11	665.52	9,296.99	414.17	8,634.64
			17,398.59		14,787.64
<b>II ASSETS</b>					
1. NON CURRENT ASSETS					
a Fixed Assets					
(i) Tangible	12	5,021.60		4,403.67	
(ii) Intangible	12	419.56		137.75	
(iii) WIP		642.06	6,083.23	684.48	5,225.90
b Non Current Investment	13	100.00		109.00	
c Long Term loans and advances	14	266.02		370.16	
d Other Non Current Assets	15	4.99	371.01		479.19
2. CURRENT ASSETS					
a Current Investments	16				
b Inventories	17	5,831.33		5,523.60	
c Trade Receivables	18	4,043.60		3,032.49	
d Cash and Cash Equivalents	19	387.22		206.26	
e Short Term loans and Advances	20	456.10		193.77	
f Other Current Assets	21	226.10	10,944.35	126.42	9082.55
			17,398.59		14,787.64

See accompanying notes to the Financial Statements

In terms of our Report Attached

For Rajani & co

Chartered Accountants

Firm Registration No.0034335

For and Behalf of the board of Directors

Mahesh Jain

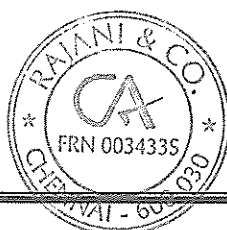
Partner

M No. 229881

UDIN: 24229881BKBIFC6297

Place : Chennai

Date : 12-06-2024



*V.T. Chandrasekharan*

V T Chandrasekharan  
Chairman & Managing  
Director

DIN:00628816

*S. Shankar Ganesh*

S Shankar Ganesh  
Chief Financial Officer

*D. Eswarakrishnan*

D Eswarakrishnan

Whole Time Director

DIN:01739106

*Raja Devika Dhivya*

Raja Devika Dhivya  
Company Secretary  
M No: A57110

**CONSOLIDATED AUDITED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	Note No.	31-03-2024 Amount In Lacs	31-03-2023 Amount In Lacs
I. Revenue from Operations	22	17,098.74	16,393.95
Revenue from Operations (Net)		17,098.74	16,393.95
II. Other Income	23	98.10	175.77
III. Total Revenue (I+II)		17,196.84	16,569.72
IV. Expenses:			
Cost of Materials Consumed	24	9,594.33	10,277.05
Changes in Inventories	24.1	(210.84)	(427.78)
Employee Benefits Expense	25	1,903.24	1,931.86
Finance Cost	26	948.21	872.33
Depreciation and Amortization Expense	27	552.92	404.01
Other Expenses	28	2,845.57	2,467.06
Total Expenses		15,633.44	15,524.53
V. Profit before Tax		1,563.39	1,045.19
PRIOR PERIOD EXPNESE/ INCOME		81.52	-
Profit Before Tax after Prior Period Adjustment		1,481.88	1,045.19
VI. Tax Expense			
(i) Current Tax		406.51	271.94
(ii) Deferred Tax (Asset)/Liability		10.46	38.90
(iii) Tax Paid for Previous Years		(103.76)	-
VII. PAT from continuing Operations		1,168.67	734.35
VIII. EPS Per Equity Share in Rupees			
Basic		12.50	11.19
Diluted		12.78	11.35

See accompanying notes to the Financial Statements

In terms of our Report Attached  
For Rajani & co  
Chartered Accountants  
Firm Registration No.0034335

For and Behalf of the board of Directors

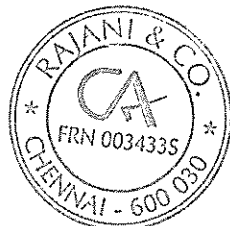
V. T. Chandrasekharan

D Eswarakrishnan

V T Chandhrasekharan  
Chairman & Managing  
Director  
DIN:00628816

Whole Time Director  
DIN:01739106

Mahesh/Jain  
Partner  
M No: 229881  
UDIN: 24229881BKBIFC6297  
Place : Chennai  
Date : 12-06-2024

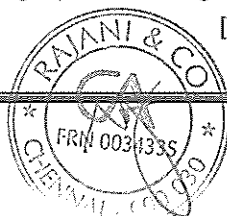


S. Shankar Ganesh  
Chief Financial Officer

Raja Devika Dhivya  
Company Secretary  
M No: A57110

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

Particulars	For the year ended 31-Mar-24		For the year ended 31-Mar-23	
	Amount in Lacs		Amount in Lacs	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,481.88		1,045.19
Add :				
a) Depreciation and amortisation	552.92		404.01	
b) (Profit) / loss on sale / write off of assets	-		-	
c) Finance costs	948.21		872.33	
		1,501.14		1,276.35
		2,983.01		2,321.53
Interest income	8.29		9.50	
Other non operating income	25.73		47.15	
Net gain on foreign currency transactions	64.08		119.12	
		98.10		175.77
<b>Operating profit / (loss) before working capital changes</b>		<b>2,884.92</b>		<b>2,145.76</b>
<b>Changes in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(307.74)		(523.67)	
Trade receivables	(952.70)		(189.04)	
Short-term loans and advances	(333.38)		392.25	
Long-term loans and advances	175.23		143.64	
Other current assets	(99.68)		87.33	
		<b>(1,518.27)</b>		<b>(89.49)</b>
<b>Adjustments for (increase) / decrease in operating liabilities:</b>				
Trade payables	(242.26)		(124.98)	
Other current liabilities	97.39		791.67	
Other long-term liabilities	17.68		(27.29)	
Short-term provisions	(88.26)		(13.74)	
Long-term provisions	-	(215.46)	-	625.65
Cash flow from extraordinary items				
<b>Cash generated from operations</b>		<b>1,582.10</b>		<b>1,430.62</b>
Net income tax (paid) / refunds	(334.27)		(278.11)	
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>1,247.84</b>		<b>1,152.51</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(1,410.25)		(1,484.60)
Proceeds from sale of fixed assets		-		-
Long Term Investments				
Consolidation Adjustment		247.39		140.03
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(1,162.86)</b>		<b>(1,344.58)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from equity Share application money	448.92		-	
Proceeds from long-term borrowings (Net of repayments)	235.75		(631.86)	
Net increase / (decrease) in working capital borrowings	266.13		1,680.28	

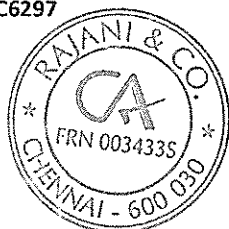


Particulars	For the year ended 31-Mar-24		For the year ended 31-Mar-23	
	Amount in Lacs		Amount in Lacs	
Interest income	8.29		9.50	
Other non operating income	25.73		47.15	
Net gain on foreign currency transactions	-		-	
Finance cost	(948.21)		(872.33)	
Dividends paid including tax	-		-	
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>36.59</b>		<b>232.74</b>	
Net (increase) / decrease in Cash and cash equivalents (A+B+C)	180.96		59.62	
Cash and cash equivalents at the beginning of the year	206.26		1,673.59	
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
<b>Cash and cash equivalents at the end of the year</b>	<b>387.22</b>		<b>206.26</b>	
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	387.22		206.26	
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3				
Cash Flow Statements (give details)				
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 16	387.22		206.26	
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)				
Cash and cash equivalents at the end of the year *				
* Comprises:				
(a) Cash on hand		1.11		2.32
(b) Balances with banks				
(i) In current accounts		260.56		85.71
(ii) In Deposit accounts		125.55		118.24

In terms of our Report Attached  
For Rajani & co  
Chartered Accountants  
Firm Registration No.003433S

For and Behalf of the board of Directors

Mahesh Jain  
Partner  
M No. 229881  
UDIN: 24229881BKBIFC6297  
Place : Chennai  
Date : 12-06-2024



V T Chandhrasekharan  
Managing Director  
DIN:00628816

S Shankar Ganesh  
Chief Financial Officer

D Eswarakrishnan  
Whole Time Director  
DIN:01739106

Raja Devika Dhivya  
Company Secretary  
M No: A57110

## **1. Company Overview & Significant Accounting Policies**

### **1(a) Company Overview**

"Emerald Tyre Manufacturers Limited (the Holding Company) having CIN:U25111TN2002PLC048665 incorporated on 27th March 2002 under the provisions of the Companies Act, 1956, and having its registered office at Emerald House, Plot No.2, 2nd Street, Porur Gardens, Phase I, Vanagram, Chennai - 600 095 (The Registered Office was changed from KRV House No 3, 9th Lane, Sastri Nagar, Adyar, Chennai 600020 vide resolution dated 21-10-2023).

" Emerald Tyre Manufacturers Limited holds 100% of Emrald Middle East FZE, which was incorporated on January 10, 2011 and 100% of Emrald Tyres Europe BV which was incorporated on February 14, 2011".

The registered office of the subsidiaries are situated in Dubai, UAE & Zele, Belgium respectively.

Emerald Tyre Manufacturers Limited along with subsidiaries Emrald Middle East FZE and Emrald Tyres Europe BV is the ""Group"" for the purpose of consolidation.

The Financial Statements of Emrald Middle East FZE is audited by SPA auditing, Dubai. The local regulation of Europe does not mandate the audit. We have gone through the audit report of the subsidiary and no qualifications were found. In so far as it relates to the amounts and disclosures included in respect of Emrald Tyres Europe BV is based solely on the reports of the Management."

The Company is engaged in the business of manufacturing and selling of Off the highway tyres for all Material Handling and other applications.

### **1(b) Significant Accounting Policies**

#### **1 Basis of Preparation:**

"The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

Principles of consolidation:

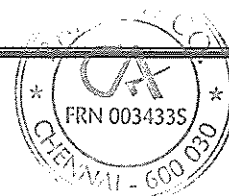
The consolidated financial statements comprise the financial statements of Emerald Tyre Manufacturers Ltd (the Holding Company) and it's Subsidiaries Company. The Financial Statements of all the companies are prepared according to uniform accounting policies, in accordance with generally accepted accounting principles in the countries of incorporation. The effects of intercompany transactions are eliminated on consolidation.

Companies included in Consolidation:

<b>Name of the Company</b>	<b>Relationship</b>	<b>Shareholding %</b>
Emrald Middle East FZE	WOS	100 %
Emrald Tyres Europe BVBA	WOS	100 %"

#### **2 Revenue Recognition:**

"Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from



operations includes sale of goods, services, service tax, excise duty, GST, and sales during trail run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Revenue for WOS comes from Sale of Tyres received from Emerald Tyre Manufacturers Limited. "

The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

Interest Income : Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Other Income : Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

Export benefits are recognised on post shipment basis under prevalent schemes under exim/foreign trade policies

### **3 Property Plant and Equipment Including Intangible Assets:**

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure if any, is capitalized if it increases the future economic benefits.

### **4 Depreciation & Amortisation:**

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight Line Value (SLV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

### **5 Impairment of Assets:**

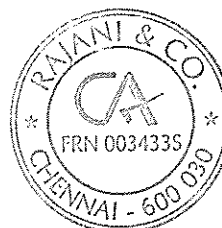
The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

### **6 Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

### **7 Foreign Currency Transactions: Domestic Operation:**

#### **1 . Initial Recognition :**





A foreign currency transactions are recorded, on initial recognition 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 . Measurement :**

Foreign currency monetary items are reported using the Average Rate for expenses and Income and Closing Rate for Assets and Liabilities

Non-monetary items which are carried 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 carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

## **III . Treatment of Foreign Exchange :**

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

### **8 Employee Benefits:**

#### **Defined Contribution Plan:**

The Company provides for ESI, PF and Super annuation Plan for eligible employees for which the company makes contribution on monthly basis and the same is charged to profit and loss Account.

#### **Defined Benefit Plan:**

The Company provides for Gratuity, a Defined benefit plan (The Grauity Plan) covering eligible employees in accordance with payment of Gratuity Act, 1972. Gratuity liability is a defined benefit obligation and is funded through LIC of India. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year. The expenditure is passed to Profit and Loss account

### **9 Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

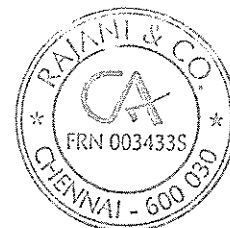
#### **A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. As per the provisions applicable, MAT Assets are not recognised.

#### **B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.



**10 Provisions and Contingent Liabilities:**

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**11 Earnings Per Share:**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**12 Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**13 Cash Flow Statement:**

Cash flows are reported using indirect method, whereby net profit/loss before tax 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**14 Inventory**

Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**15 Investments:**

"Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Mutual Funds are stated at Cost i.e Invested Value.

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method."

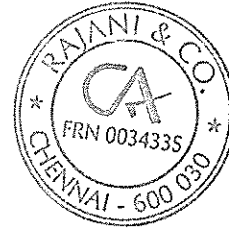
**16 Research And Development Expenses**

Revenue expenditure on R&D is charged to Profit and Loss account as incurred. Capital expenditure on assets acquired for Research and development is added to PPE and expenditure incurred on product development is capitalised and amortized over the period of 5 Years from the date of Capitalisation.



## 17 Warranty

Provision is made for estimated warranty claims in respect of product sold which are still under warranty at the end of the reporting year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims to differ from historical amounts.



**Note -2. SHARE CAPITAL**

Particulars	31-03-2024		31-03-2023	
	Number of shares	In ₹ Lakhs	Number of shares	In ₹ Lakhs
<b>(a) Authorised</b>	<b>2,50,00,000</b>	<b>2,500.00</b>	<b>1,40,00,000</b>	<b>1,850.00</b>
2,50,00,000 Equity Shares of Rs.10 each#	2,50,00,000	2,500.00	1,35,00,000	1,350.00
5,00,000 15% Cumulative Non Convertible Redeemable Preference Share Of Rs.100/- Each	-	-	5,00,000	500.00
<b>(b) Issued, Subscribed and Paid up</b>	<b>1,44,90,512</b>	<b>1,449.05</b>	<b>65,60,489</b>	<b>656.05</b>
1,44,90,512 (PY 65,60,489) Equity Shares of Rs.10 each	1,44,90,512	1,449.05	65,60,489	656.05
<b>Total</b>	<b>1,44,90,512</b>	<b>1,449.05</b>	<b>65,60,489</b>	<b>656.05</b>

# During the year, reclassification of the Authorized Share Capital of the Company from Rs.18,50,00,000 /- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,35,00,000 (One Crore Thirty Five Lakhs) Equity Shares of Rs.10/- each and 5,00,000 15% Non-Convertible Redeemable Preference Shares of Rs.100/- each to Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10 / - each and further increase in the Authorised Share Capital of the Company from Rs.18,50,00,000/- (Rupees Eighteen Crore Fifty Lakhs ) divided into 1,85,00,000 (One Crore Eighty Five Lakhs) Equity Shares of Rs.10/- each to Rs.25,00,00,000 (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs.10 /- each vide Resolution passed by the Shareholders of the company at the Extra Ordinary General Meeting held on 18/09/2023.

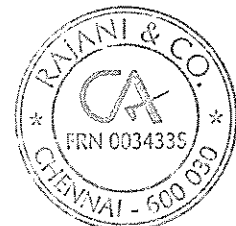
**List of Shareholders holding more than 5% share capital**

Name of Shareholders	No. of Shares Equity Shares	%	Value/Share	In ₹ Lakhs
V Thirupathi	17,01,000	11.74%	10.00	170.10
V T Chandhrasekharan	68,71,948	47.42%	10.00	687.19
Karthikeyan Swarnam	11,28,080	7.78%	10.00	112.81
Rajasthan Global Securities Private Limited	17,83,384	12.31%	10.00	178.34
<b>TOTAL</b>	<b>1,14,84,412</b>	<b>79.25%</b>		<b>1,148.44</b>

**NOTE 2A. SHARES HELD BY PROMOTORS**

Current Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Mr. V.Thirupathi	17,01,000	11.74%	-1.22%
2	Mrs.T.Kannaki	6,80,000	4.69%	-0.49%
3	Mr.V.T.Chandhrasekharan	68,71,948	47.42%	-4.95%
4	Mr.V.T.Srinivas	5,45,880	3.77%	-0.39%

Previous reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Mr. V.Thirupathi	8,50,500	12.96%	-24.98%
2	Mrs.T.Kannaki	3,40,000	5.18%	-16.88%
3	Mr.V.T.Chandhrasekharan	34,35,974	52.37%	43.77%
4	Mr.V.T.Srinivas	2,72,940	4.16%	0.00%



**NOTE- 2B. STATEMENTS OF CHANGES IN EQUITY**

<b>Current Reporting Period</b>				
<b>Balance at the beginning of the current reporting period</b>	<b>Changes in Equity Share Capital due to prior period error</b>	<b>Related Balance at the beginning of the current reporting period</b>	<b>Changes in Equity Share Capital during the current year*</b>	<b>Balance at the end of the current reporting period</b>
65,60,489			79,30,023	1,44,90,512

<b>Previous reporting Period</b>				
<b>Balance at the beginning of the previous reporting period</b>	<b>Changes in Equity Share Capital due to prior period error</b>	<b>Related Balance at the beginning of the previous reporting period</b>	<b>Changes in Equity Share Capital during the previous year</b>	<b>Balance at the end of the previous reporting period</b>
65,60,489				65,60,489

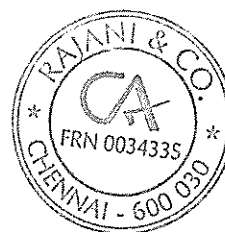
**Note:\***

1. Fresh Issue of 6,06,642 shares of Rs 10/- each at premium of Rs 64 /-
2. Bonus issue of 71,67,131 shares at the Ratio of 1:1
3. 10 Year 15% 1,56,250 Compulsorily Convertible Debenture (CCDs) of Rs.160/- each Converted into 1,56,250 Equity shares of Rs.10/- each with a premium of Rs.150/-

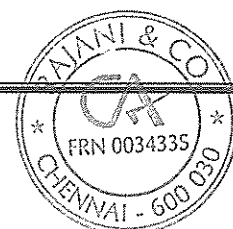
**TERMS ATTACHED TO SHARES:**

**Equity Shares:**

The Equity Shares have a par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Repayment of capital on liquidation will be in proportion to the number of Equity Shares held.



Note No.	Particulars	31-03-2024 Amount in Lacs	31-03-2023 Amount in Lacs
<b>3.</b>	<b>Reserve and Surplus</b>		
<b>3.1</b>	<b>Securities Premium Account</b>		
	Opening Balance	1,062.79	1,062.79
	Add: Transfer Due to Amalgamation		
	Add: Received During the Year	622.63	-
	Less: Utilized During the Year	216.71	
	Closing Balance	1,468.70	1,062.79
<b>3.2</b>	<b>General Reserve</b>		
	Opening Balance	181.00	181.00
	Add: Transfer from Surplus in statement of P & L A/c.	177.76	
	Closing Balance	358.76	181.00
<b>3.3</b>	<b>Capital Redemption Reserve Account</b>		
	Opening Balance	500.00	500.00
	Add: Transfer from Preference Share Redemption Reserve	-	-
	Less: Utilized.	500.00	
	Closing Balance	-	500.00
<b>3.4</b>	<b>Foreign Currency Translation Reserve</b>		
	Opening Balance	(438.15)	(578.18)
	Add: Additions during the year (net)	247.39	140.03
	Closing Balance	(190.76)	(438.15)
<b>3.5</b>	<b>Surplus - Balance in Statement of P&amp;L Account</b>		
	Opening Balance	1,483.21	748.86
	Add: Transfer Due to Amalgamation		
	Add: PAT For the year	1,168.67	734.35
	Less: Appropriations -		
	Less : Proposed Dividend	144.91	-
	Less: Transfer to General Reserves	177.76	-
	Closing Balance	2,329.21	1,483.21
	<b>Total</b>	<b>3,965.91</b>	<b>2,788.85</b>
<b>4.</b>	<b>Long Term Borrowings</b>		
<b>4.1</b>	<b>Debentures</b>		
	Compulsory Convertible Debentures	-	250.00
	10 year 15% Compulsorily Convertible Debenture (CCD) of Rs.160/- each. Each CCD will be converted into one equity share of Rs.10/- each together with a premium of Rs.150/- per equity share at the end of fifth year from the date of allotment.	-	-
<b>4.2</b>	<b>Secured Loans from Banks</b>		
	<b>From Banks</b>		
	<b>State Bank of India</b>		
	Term Loan IV	457.32	385.65
	<b>IDBI Bank</b>		
	Term Loan I	-	-
	Guaranteed Emergency Credit Line	55.03	187.15
	Guaranteed Emergency Credit Line 1.0	339.13	370.00



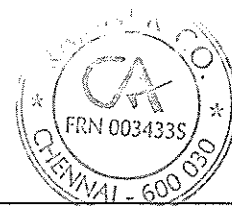
Note No.	Particulars	31-03-2024 Amount in Lacs	31-03-2023 Amount in Lacs
	<b>From NBFC</b>		
	Tata Capital Financial Services	581.50	887.20
	YES BANK CAR LOAN	-	4.11
	BNP Bank Loan	288.65	91.84
4.3	<b>Unsecured Loans</b>		
	<b>From Banks</b>	65.23	121.89
	<b>Other Than Banks</b>	2,286.76	1,841.79
	<b>Total</b>	<b>4,073.62</b>	<b>4,139.62</b>
	Less : Current Maturities of Long Term Debts (Refer Note No. 10.1 below)	1,783.95	1,835.70
	<b>Grand Total</b>	<b>2,289.67</b>	<b>2,303.92</b>

a) **Term Loans from SBI are secured by: -**

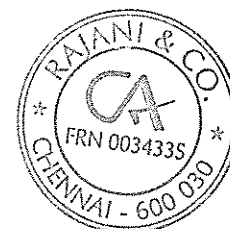
1. Equitable Mortgage by deposit of title deeds of 6.25 acres of Leasehold Land situated at Plot #79 & 3.80 acres of Leasehold Land at Plot # 80, EPIP, Sipcot Industrial Complex, Gummidipoondi.
2. Equitable Mortgage over superstructures constructed on Leasehold Land mentioned above.
3. Hypothecation of Plant & Machinery created/ to be created out of term loans.

*a. The Term Loans from SBI are also collaterally secured by:-*

4. Hypothecation of movable fixed assets belonging to Mixing division.
  5. Equitable Mortgage by deposit of title deeds of 3380 sqft land and residential house thereon situated at #3, Ninth Lane, Shastri Nagar, Adyar, Chennai in the name of Mr V Thirupathi
  6. Pledge of 939,500 shares of the face value of Rs 10/- each of Emerald Resilient Tyre Manufacturers P Ltd, owned by Mr V Thirupathi and his family members.
  7. Hypothecation of movable fixed assets of the company (present & future).
  8. Personal Guarantee of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrashekharan & Mr V T Srinivas.
- b) Bank Borrowings are secured by way of hypothecation of all the Current Assets of the company. The above loans are additionally secured by the collateral securities given to the Term Loans provided by the bank. The loans are also secured by the Personal Guarantees of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrashekharan & V T Srinivas.
- c) Equipment Finance from Tata Capital Financial Services Limited (TCFSL) are secured by, Hypothecation of Machinery Purchased out of TCFSL Fund and unconditional & irrevocable personal guarantees of Mr V Thirupathi, Mrs T Kannaki and Mr V T Chandrasekharan.
- d) Subservient charge on all present and future current and fixed assets of the company & Personal Guarantees of Mr V Thirupathi, Mrs T Kannaki, Mr V T Chandrasekharan and Mr V T Srinivas.
- e) Straight Loan availed by Emerald Tyres Europe BV, Belgium from BNP Paribas is secured against stocks located at our Belgium warehouse.

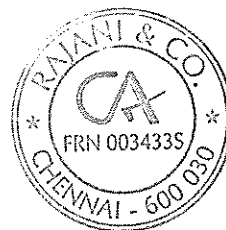


Note No.	Particulars	31-03-2024 Amount in Lacs	31-03-2023 Amount in Lacs
5.	<b>Deferred Tax Liabilities</b>		
	Opening Balance (Net)	262.80	223.90
	Add: Transfer Due to Amalgamation On difference between book balance and tax balance of fixed asset	10.46	38.90
	<b>Net Deferred Tax Liability</b>	<b>273.26</b>	<b>262.80</b>
6.	<b>Other Long Term Liabilities</b>		
	Deposits from Dealers	123.70	141.38
	<b>Total</b>	<b>123.70</b>	<b>141.38</b>
	<b>Total</b>	<b>-</b>	<b>-</b>
8.	<b>Short Term Borrowings</b>		
	<b>1. Secured Loans</b>		
	<i>Repayable on Demand</i>		
	<b>From Banks</b>		
	<b>State Bank of India</b>		
	Cash Credit	1,092.46	758.54
	Export Packing Credit	2,497.71	2,500.14
	Stand by Limit	150.00	150.00
	LC payable (Not due)	325.44	338.42
	Bills Discounting Facility	579.04	284.31
	State Bank of India TL	98.04	-
	SBI - Covid Emergency Credit Line	55.03	132.11
	SBI - Covid Emergency Credit Line 1.0	123.36	30.83
	Tata Capital Limited - EF	305.70	305.70
	Bank Loan BNP	80.46	46.40
	SIDBI - Optionally Convertible Subordinated Debt	-	-
	<i>Unsecured Loans</i>	1,121.35	1,320.66
	Others from Shareholders	-	295.38
	<b>Total</b>	<b>6,428.61</b>	<b>6,162.48</b>
9.	<b>Trade Payables</b>		
	Micro and Small Enterprises	576.39	575.29
	Trade Payables	1,433.06	1,191.90
	<b>Total</b>	<b>2,009.45</b>	<b>1,767.19</b>
10.	<b>Other Current Liabilities</b>		
	<b>Others</b>		
i	Statutory Dues	43.19	47.95
ii	Advances from Customers	19.02	92.34
iii	Capital Goods Suppliers	42.11	99.58
iv	Others	89.10	50.93
	<b>Total</b>	<b>193.42</b>	<b>290.80</b>





Note No.	Particulars	31-03-2024 Amount in Lacs	31-03-2023 Amount in Lacs
11.	<b>Short Term Provisions</b>		
	<i>Provision for Employees Benefits</i>		
	Contribution to Provident Fund	9.08	8.41
	Superannuation Fund	-	13.37
	Bonus	30.93	27.50
	Salaries & Wages	85.77	68.25
	LTA Payable	22.41	20.36
	Contribution to ESI	0.68	0.85
	Leave Encashment	27.60	
	Provision for Warranty Claim	30.10	
	Others	103.79	33.66
	Provision for Taxation	210.26	241.78
	Provision for Proposed Dividend	144.91	-
	<b>Total</b>	<b>665.52</b>	<b>414.17</b>



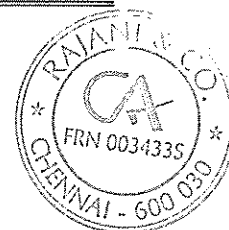
Note No.12 Fixed Assets & Depreciation - FY 2023-24

Values in Lacs

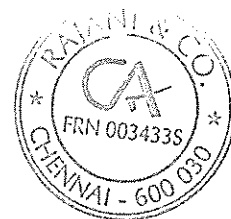
Sl. No	Particulars	Gross Block				Depreciation				Net Block			
		WDV as on 01-04-2023	Additions	Deletion	Adjustment	Gross Block 31-03-2024	Depreciation as at 31-03-2023	Depreciation For the year	Depreciation Deletion	Adjustment	Depreciation Total	Net Block 31.03.2024	Net Block 31.03.2023
Tangible Assets													
a)	Land-leasehold	67.11	11.66	5.81	-	72.96	3.38	6.62	-	-	10.01	63.95	63.73
b)	Buildings	853.25	487.00	-	-	1,340.26	413.31	25.16	-	-	438.47	901.79	439.94
c)	Plant and Equipments	8,426.14	473.94	-	0.32	8,900.40	4,587.44	444.49	-	0.12	5,032.05	3,868.35	3,838.70
d)	Furniture & Fixtures	93.82	4.40	-	0.29	98.50	89.34	1.81	-	0.29	91.43	7.07	4.48
e)	Vehicles	91.38	153.03	-	-	244.41	53.77	25.87	-	-	79.64	164.77	37.62
f)	Office Equipment	118.57	12.89	-	0.02	131.48	99.37	15.42	-	0.01	114.80	16.68	19.20
Sub Total (Tangible Assets)		9,650.28	1,142.91	5.81	0.63	10,788.01	5,246.61	519.37	-	0.42	5,766.40	5,021.60	4,403.67
1	Softwares (Amortization)	93.04	41.55	-	0.18	134.77	80.63	2.58	-	0.18	83.39	51.37	12.41
2	Research & Development	273.56	273.80	-	-	547.36	148.61	30.97	-	-	179.58	368.18	125.35
Capital Work In Progress		684.48	766.33	808.74	-	642.06	-	-	-	-	-	642.06	684.48
Grand Total		10,701.76	2,224.59	814.56	0.81	12,112.60	5,475.85	552.92	-	0.60	6,029.37	6,083.23	5,225.60



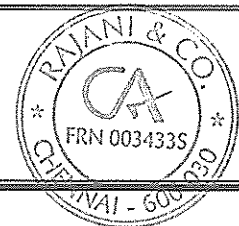
Note No.	Particulars	31-03-2024 Amount in ₹	31-03-2023 Amount in ₹
13.	<b>Non Current Investment</b>		
	Harvey Healthcare Limited	-	9.00
	Investment in Mutual Funds	100.00	100.00
	<b>Total</b>	<b>100.00</b>	<b>109.00</b>
14.	<b>Long Term loans and advances</b>		
	Security Deposits	264.74	218.20
	Advances for Capital Goods & Others	1.28	152.00
	<b>Total</b>	<b>266.02</b>	<b>370.19</b>
15	<b>Other Non Current Assets</b>		
	Group Gratuity Scheme	4.99	
	<b>Total</b>	<b>4.99</b>	
16	<b>Current Investments</b>		
	<b>Total</b>		
17	<b>Inventories</b>		
	Raw Materials	453.36	429.83
	Work-in-Progress	1,224.96	1,230.44
	Finished Goods	3,495.10	3,308.11
	Trading Goods	-	-
	Goods in Transit	359.79	330.46
	<b>Stores and Spares</b>	-	-
	Diesel/LDO	-	0.92
	Engineering Spares	298.13	209.21
	Fire Woods	-	14.63
	<b>Total</b>	<b>5,831.33</b>	<b>5,523.60</b>
18	<b>Trade Receivables</b>		
	Outstanding for a period exceeding six months from the due date for payment and Considered Good	247.94	176.21
	Outstanding for a period Less than six months from the due date for payment and Considered Good	-	-
	<b>Less: Provision for Doubtful Debts</b>	3,795.67	2,856.28
	Other Receivables	-	-
	<b>Total</b>	<b>4,043.60</b>	<b>3,032.49</b>
19	<b>Cash and Cash Equivalents</b>		
19.1	Cash on Hand	1.11	2.32
19.2	<b>Balances with bank</b>	-	-
	(i) In current Accounts	260.56	85.71
	(ii) In Deposit Accounts	125.55	118.24
	<b>Total</b>	<b>387.22</b>	<b>206.26</b>



Note No.	Particulars	31-03-2024 Amount in ₹	31-03-2023 Amount in ₹
20	<b>Short Term loans and Advances</b>		
	GST Credit with Excise Dept	330.52	122.72
	Due from Company under same Management	-	-
	Advance to Others	0.02	-
	Prepaid Expenses	100.91	35.34
	Staff Loans	4.99	0.59
	TDS Receivables from NBFC	19.67	35.12
	<b>Total</b>	<b>456.10</b>	<b>193.77</b>
21	<b>Other Current Assets</b>		
	Govt. Subsidies	159.56	90.04
	Salary Advances	66.54	36.38
	<b>Total</b>	<b>226.10</b>	<b>126.42</b>



Note No.	Particulars	31.03.2024 Amount in Lacs	31.03.2023 Amount in Lacs
<b>22</b>	<b>Revenue from Operations</b>		
<b>22.1</b>	<b>Sale of Products</b>		
	Domestic	4,014.43	3,790.43
	Export	12,741.10	12,292.81
<b>22.2</b>	<b>Other Operating Income</b>		
	Fitment Charges	1.72	5.59
	DEPB Benefit	70.77	41.82
	Duty Drawback on Export	270.72	263.30
	<b>Total</b>	<b>17,098.74</b>	<b>16,393.95</b>
<b>23</b>	<b>Other Income</b>		
<b>23.1</b>	Interest on Deposits	8.29	9.50
<b>23.2</b>	Other Non - Operating Income	25.73	47.15
<b>23.3</b>	Net Gain on Foreign Currency Transactions	64.08	119.12
	<b>Total</b>	<b>98.10</b>	<b>175.77</b>
<b>24</b>	<b>Cost of Materials Consumed</b>		
	Natural Rubber and Rubber Products	8,975.47	9,783.06
	Engineering Spares and Consumables	196.11	227.76
	Trading goods	-	33.34
	Purchases	422.75	232.89
	<b>Total</b>	<b>9,594.33</b>	<b>10,277.05</b>
<b>24.1</b>	<b>Changes in Inventory</b>		
	<b>Opening Stock</b>		
	Work in Progress	1,230.44	1,244.94
	Finished Goods	3,308.11	2,985.84
	Finished Goods in Transit	330.46	210.45
	<b>Total</b>	<b>4,869.01</b>	<b>4,441.23</b>
	<b>Closing Stock on</b>		
	Work in Progress	1,224.96	1,230.44
	Finished Goods	3,495.10	3,308.11
	Finished Goods in Transit	359.79	330.46
	<b>Total</b>	<b>5,079.85</b>	<b>4,869.01</b>
	<b>Changes in Inventory (Decrease)/ Increase</b>	<b>(210.84)</b>	<b>(427.78)</b>
<b>25</b>	<b>Employee Benefits Expense</b>		
<b>25.1</b>	Salaries and Wages	1,585.30	1,709.75
<b>25.2</b>	Contribution to Gratuity	13.21	
<b>25.3</b>	Contribution to PF and ESI	94.73	94.75
<b>25.4</b>	Staff Welfare	210.00	127.37
	<b>Total</b>	<b>1,903.24</b>	<b>1,931.86</b>
<b>26</b>	<b>Finance Cost</b>		
<b>26.1</b>	<b>Interest Expense</b>		
	Term Loan	168.58	53.50
	Other Interests	405.45	472.69
	Interest on late payment of taxes	25.61	-
<b>26.2</b>	Other Borrowing Costs	348.57	346.14
	<b>Total</b>	<b>948.21</b>	<b>872.33</b>



Note No.	Particulars	31.03.2024 Amount in Lacs	31.03.2023 Amount in Lacs
27	<b>Depreciation and Amortization Expense</b>		
	Depreciation of Fixed Assets	518.59	404.01
	Amortizations - Lease	34.33	-
	<b>Total</b>	<b>552.92</b>	<b>404.01</b>
28	<b>Other Expenses</b>		
	Consumption of Stores and Spares	-	0.00
	Power and Fuel	463.96	432.79
	Packing Materials	28.44	16.57
	Insurance	33.41	25.82
	Mixing Charges	368.52	275.50
	Software Renewal/AMC/Cloud Server	20.86	21.99
	Factory Expenses	212.32	55.74
	Freight Inwards & Cartage	378.88	470.61
	Import Documentation Charges	25.58	2.68
	Machinery Maintenance Expenses	113.07	103.43
	Travelling & Conveyance Expenses	46.11	35.24
	Export freight Charges	23.60	61.89
	Export Documentation Charges	178.13	219.91
	Marketing & Sample Tyres Expenses	88.84	75.25
	Export Commission	69.22	
	Warranty Claim Provision	30.10	
	Discount on Sales	9.25	15.54
	ECGC Premium	29.88	30.45
	Advance Price Ruling Fee	-	15.00
	Export Non-Realisation Duty Draw Back Return Provision	14.85	
	Freight Outwards	47.79	35.13
	Postages & Telegram	0.89	0.71
	Telephone Expenses	8.31	9.78
	CSR Expenses	12.38	6.00
	Bad Debts	14.67	18.94
	Overseas Travel & Expo Expenses	29.46	30.19
	Tyre Compensation	7.95	5.93
	Computer Maintenance Expenses	2.77	1.73
	Auditors Remuneration	1.90	1.85
	Professional Charges	274.51	229.91
	Product Liability Insurance	26.83	8.33
	Internal Audit Fee	4.90	
	Insurance Charges	6.42	6.33
	Vehicle Repairs & Maintenance	9.66	4.61
	Printing & Stationery	9.69	9.27
	Office Rent	98.32	68.75
	Directors Sitting Fee	3.75	-
	Registration & Licence fees	76.31	66.36
	Other misc. Expenses	74.04	104.81
		<b>2,845.57</b>	<b>2,467.06</b>



**29 Contingent Liabilities and Commitments (to the extent not provided for):**

**A. Contingent Liabilities**

Particulars	As at March 31,	As at March 31,
	2024	2023
Claims against the company not acknowledged as debt	423.37	427.93
Bank Guarantees - Related to performance guarantee in various contracts	NIL	NIL
Other money for which the company may be contingently liable	-	-
(LUT) Raw Materials imported under advance authorization scheme of DGFT,	205.82	205.82
LUT for Capital Goods imported under EPCG advance authorization scheme of DGFT	-	56.92
<b>Total</b>	<b>629.19</b>	<b>690.67</b>

1. On 21st February 2017, under Section 143(3) of the Income Tax Act 1961, for the assessment year 2014, a scrutiny assessment notice/demand was issued with a tax amount of Rs. 22.79 lakhs, totaling Rs. 22.79 lakhs, which is pending.

2. On 12th February 2021, under Section 143(3) of the Income Tax Act 1961, for the assessment year 2018, a scrutiny assessment notice/demand was issued with a tax amount of Rs. 3,05.32 Lakhs and interest of Rs. 68.70 Lakhs totaling Rs. 374.02 lakhs, which is pending.

3. On 30th April 2020, under Section 143(1A) of the Income Tax Act 1961, for the assessment year 2019, an intimation of income was issued with a tax amount of Rs. 7.75 lakhs, interest of Rs. 2.09 lakhs, totaling Rs. 9.85 lakhs, which is pending.

4. On 19th June 2017, under Section 143(1B) of the Income Tax Act 1961, for the assessment year 2015, a best judgment assessment notice/demand was issued with a tax amount of Rs. 6.59 lakhs, interest of Rs. 4.08 lakhs, totaling Rs. 10.67 lakhs, which is pending.

5. On 19th June 2017, under Section 143(1B) of the Income Tax Act 1961, for the assessment year 2015, a best judgment assessment notice/demand was issued with a tax amount of Rs. 3.73 lakhs, interest of Rs. 2.31 lakhs, totaling Rs. 6.04 lakhs, which is pending.

**30 Proposed Dividend Details:**

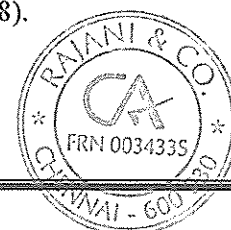
The Company has proposed a dividend of 10% of the Face Value of Rs.10 Per share during the year which is subject to the approval of Members at the ensuing AGM

**31 Securities were issued during the year as mentioned in Note 2 B.**

**32 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated**

**33 Details of Benami Property Held:**

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).



- 34 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with the banks or financial institutions are done periodically. The Amount as per the Quarterly returns of the Inventory and Book Debts submitted to the banks were lower than the amount as per the books of account and accordingly did not effect the drawing power and the security cover in accordance with the sanction terms.
- 35 **Wilful Defaulter:**  
The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- 36 **Relationship with Struck off Companies:**  
The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.
- 37 **Compliance with Number of Layers of Companies:**  
The Company has Two wholly owned subsidiaries namely Emerald Middle East FZE and Emerald Tyres Europe BV. WOS are under the exceptions of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.
- 38 **Compliance with Approved Scheme(s) of Arrangements:**  
No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- 39 **Utilisation of Borrowed Funds or Share Premium**  
A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall  
(i) 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  
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall  
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





**40 Payment to the Statutory Auditor:**

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Statutory Audit Fees & Tax Audit Fees	1.65	1.60
Tax Audit Fees	0.25	0.25
Other Matters	-	-
<b>Total</b>	<b>1.90</b>	<b>1.85</b>

**41 Corporate Social Responsibility:**

The applicability towards CSR has commenced from this financial year 2022-23 onwards and the company is taking required steps to comply with Corporate Social Responsibility (CSR) as provisions of Section 135 of the companies act, 2013.

Particulars		November 30, 2023 Amount in ₹ 'Lakhs	March 31, 2023 Amount in ₹ 'Lakhs
a)	Amount required to be spent by the company during the year	12.38	5.67
b)	Amount of expenditure incurred,*	12.38	6.00
c)	Shortfall at the end of the year,	-	-
d)	Total of previous years shortfall	-	-
e)	Reason for shortfall	-	-
f)	Nature of CSR activities,	Healthcare	Healthcare
g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	No Related Party Involved	No Related Party Involved
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil	Nil

\*Note: Amount Spent before end of the Financial Year ₹. 1237690/- for the year 2023-2024

42 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.



43 **Undisclosed Income:**

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

44 **Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

45 **Dues to Micro, Small and Medium Enterprise (MSME):**

The dues towards micro, small and medium enterprises have been disclosed in the scheduled to balance sheet.

46 **Registration of Charges or Satisfaction with registrar of Companies :** There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period except for vehicle loans availed by the Company for which the company has filed compounding application under the provisions of the companies act, 2013.

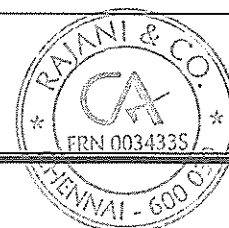
47 **Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

**A. List of Related parties**

Name of the key managerial personnel/Entity	Relationship
Mr.V.T.Chandhrasekharan	Chairman & Managing Director
Mr.D.Eswara Krishnan	Whole Time Director
Mr.V.Krishnaram	CEO
Mr S Shankar Ganesh	CFO
Mrs S N Satiya Priya (Resigned 29th Feb 2024)	Company Secretary cum Compliance Officer
Mrs. Raja Devika Dhivya (Appointed 19th Feb 2024)	Company Secretary cum Compliance Officer
<b>Entities in which Director/KMP/ Relatives of KMP can exercise significant influence</b>	
Emrald Herbs and Plants Private Ltd	
Emrald Bio Fertilisers Private Ltd	

**A. List of Related parties**



Name of the key managerial personnel/Entity	Relationship
Mr.V.Thirupathi	Father of Chairman and MD
Mr.V T Srinivas	Brother of Chairman and MD
S A Rubber Engineering PTY Ltd	Company Owned by Brother of Chairman and MD

**B. Transactions with related parties**

(All amounts are in ₹. lakhs)

Particulars	For the Period Ended 31-March-2024	For the Year Ended 31-March-2023
<b>Sales to Other Related Party</b>		
S A Rubber Engineering PTY Ltd	73.58	232.51
<b>Key management Personal Remuneration Paid to</b>		
Mr.V.T.Chandhrasekharan	78.45	61.26
Mr.D.Eswara Krishnan	52.66	36.70
Mr.V.Thirupathi (Till 28th July 2022)		18.90
<b>Salary Paid</b>		
Mr.V.Krishnaram	69.60	58.00
Mr S Shankar Ganesh	21.28	16.87
Mrs S N Satiya Priya (Resigned 29th Feb 2024)	2.40	2.40
Mrs. Raja Devika Dhivya (Appointed 19th Feb 2024)	1.19	
<b>Rent Paid</b>		
Mr.V.T.Chandhrasekharan	9.60	9.60
Mr.V T Srinivas	1.44	1.44
<b>Other Than KMP</b>		
Mr.V.Thirupathi (Consultancy Charges)	60.60	37.80
Mr.V T Srinivas (Salary)	67.82	52.30



<b>Total</b>	<b>365.03</b>	<b>295.27</b>
<b>Outstanding as on 31st</b>		
<b>Receivable From</b>		
S A Rubber Engineering PTY Ltd	527.74	571.68
<b>From KMP</b>		
<b>Krishnaram - CEO</b>		
Salary and Travel Advance	-	8.95
<b>Payable to</b>		
Loan Outstanding From Mr Thirupathi	-	295.38

48 **Income Taxes:**

**I. Minimum Alternate Tax**

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

**II. Current Tax**

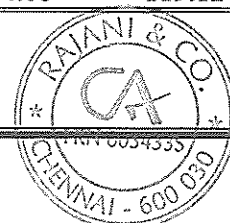
(All amounts are in ₹. lakhs)

<b>Particulars</b>	<b>For the Year ended</b>	<b>For the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Current Tax	406.51	271.94
Add: Tax Adjustment for earlier years	(103.76)	-
<b>Net Current Tax</b>	<b>302.75</b>	<b>271.94</b>

49 **Exchange Difference:**

(All amounts are in ₹. lakhs)

<b>Particulars</b>	<b>For the Year ended</b>	<b>For the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Exchange Difference Gain/(Loss)	64.08	119.12
<b>Total</b>	<b>64.08</b>	<b>119.12</b>



**50 Employee Benefit (Incurred in India):**

**Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

**Interest Cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

**51 Cash Flow Statement:**

(1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was Rs.2,66,66,909/- that are available for use by Company.

(2) Company does not have undrawn borrowing facilities that may be available for future operating activities.

(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.

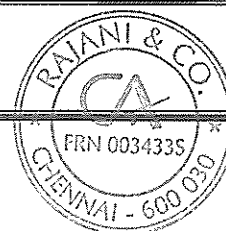
(4) Company is investing adequately in the maintenance of its operating capacity.

(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

**Additional Disclosures:**

*(All amounts are in ₹. lakhs)*

<b>I. Components of Cash and Cash Equivalents:</b>	<b>For the period ended</b>	
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Consolidated:</b>		
Balances in Emerald India		
Cash on Hand	0.17	0.69
Balance with Banks	95.04	66.47
Demand Deposits with Banks	125.55	118.24
<b>Balances in Emerald Middle East</b>		
Cash on Hand	0.94	1.63
Balance with Banks	132.13	12.16
<b>Balances in Emerald Tyres Europe</b>		
Cash on Hand	-	
Balance with Banks	33.39	7.08
<b>Total Components of Cash and Cash Equivalents:</b>	<b>387.22</b>	<b>206.26</b>



**52 Changes in Accounting Estimates:**

The company has changed the rates of Depreciation for Vehicles, Computers and Lab Equipment as per Depreciation Rates given in Schedule II.

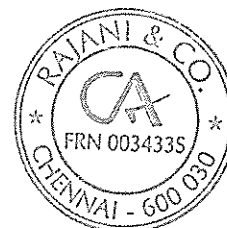
Assets	Nature of the change in accounting estimate	Accumulated Depreciation Amount in ₹ Lakhs	Revised Accumulated Depreciation Amount in ₹ Lakhs	Effect of the Change Amount in ₹ Lakhs (Increase)/ Decrease
Lab Equipments	Change in Useful Life as per Schedule II from 15 Years to 10 Years	92.09	121.83	(29.73)
Motor Vehicles	Change in Useful Life as per Schedule II from 10 Years to 8 Years	59.27	65.32	(6.06)
Computer and EDP	Change in Useful Life as per Schedule II from 6 Years to 3 Years	118.00	127.72	(9.72)
			<b>Total</b>	<b>(45.51)</b>

**Effect of the above Change for calculation of Deffered Tax**

Particulars	Amount in ₹ Lakhs
Additional Depreciation	(45.51)
Deferred Tax Asset	(11.45)

**Effect of the above Change in Profit of Standalone Financial Statements**

Particulars	Amount in ₹ Lakhs
Profit Before Tax - Old	1,214.18
Profit Before Tax - Revised	1,168.67



**53 Changes in Accounting Policies:**

There are no changes in Accounting Policy made by the Company for the year ended 31st March 2024

**54 Disclosures on Property, Plant and Equipment and Intangible Assets:**

**I. Property, Plant and Equipment**

- (1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
- (2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (3) Company has no Impairment loss during the period for Property, Plant & Equipment.
- (4) Assets are periodically checked for active usage and those which are retired are written off.
- (5) There are no temporarily idle property, plant and equipment.
- (6) Intangible asset is amortised as per Schedule II.
- (7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

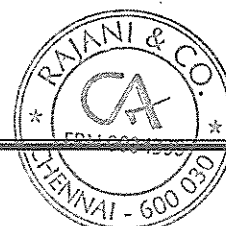
**55 Investments:**

**I. Profits and Losses with Regard to Investments have been Disclosed as under:**

- a) Profits and losses on disposal of current investments - No Disposals
- b) Profits and losses on changes in the carrying amount of current investments - No Changes
- c) Profits and losses on disposal of long-term investments - Write off of Investment to the tune of 9 Lakhs
- d) Profits and losses on changes in the carrying amount of long- term investments - No Changes

**56 Earnings Per Share:**

Particulars	(All amounts are in ₹. lakhs)	
	As at March 31, 2024	As at March 31, 2023
1. Profit attributable to equity shareholders before extraordinary items (A)	1,168.67	734.35
2. Profit attributable to equity shareholders after extraordinary items (B)	1,195.66	762.41
3. Weighted average number of equity shares outstanding during the year including bonus shares (D) (in numbers)		
- Basic	93,52,077	65,60,489
- Diluted	93,52,077	67,16,739



4. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/D) after bonus	12.50	11.19
5. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/D)	12.78	11.35

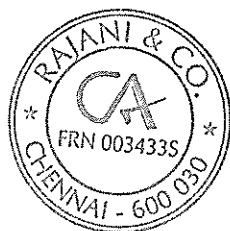
57 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

58 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

59 **Ratios:** As per Guidance Note of ICAI Analytical Ratios are not mandatory to be presented in Consolidated Financial Statement.

In terms of our Report Attached  
For Rajani & co  
Chartered Accountants  
Firm Registration No.003433S

*Mahesh Jain*  
Mahesh Jain  
Partner  
M.No: 229881  
UDIN: 24229881BKBIFC6297  
Place : Chennai  
Date : 12-06-2024



For and Behalf of the board of Directors

*V. T. Chandrasekharan* *D. Eswarakrishnan*

V T Chandrasekharan  
Managing Director  
DIN:00628816

D Eswarakrishnan  
Whole Time Director  
DIN:01739106

*S. Shankar Ganesh*  
S Shankar Ganesh  
Chief Financial Officer

*Raja Devika Dhivya*  
Raja Devika Dhivya  
Company Secretary  
M No: A57110