

**Management Accounts of
Super Grip Corporation, USA – Unaudited**

On 2nd November 2023, the company acquired substantial assets of Super Grip Corporation, a Tennessee corporation based out of Piney Flats Tennessee in United States of America. There has been smooth transition from the previous ownership in terms of Employees, Customers and supply chain linkages.

Acquisition Rationale

Super Grip Corporation has a unique business model wherein they own the designs of products (supported by their superior application understanding and closeness to the customers) & have the products manufactured in low-cost countries (LCC's). They have been operating this model for a considerable period since their establishment in 1984.

The Company operates on an asset light model which gives ability to obtain scale with minimal investments. Given the competitive intensity in the OHT (Off-Highway Tyre) space, this is a critical capability and is expected to yield rich dividends in the future.

Journey till now

Post Acquisition, efforts made to create cultural understanding between both the organizations has been progressing well. There has been an increased investment in working capital and manpower in critical areas to increase and sustain sales. These should start showing results going forward

Financial Snapshot for FY24 (since 3rd November 2023)

The Company achieved a total revenue of Rs. 36.70 cr (USD 4.41 M) during the period Nov-Mar'24. The revenue during this period was impacted by some supply chain issues leading to a loss of Rs. 4.04 cr (USD 0.48M). With the capital infusion and financial assistance from the parent company, the company has invested in the inventories to ensure better servicing. The company has also taken measures to improve its working capital by tightening the receivable cycle.

It is expected that the investments in human resources and inventory will help the company achieve a higher revenue and return to profitability in the coming months.

Super Grip Corporation
Unaudited Standalone Balance Sheet as at March 31, 2024
(All amounts are stated in INR Crores unless otherwise stated)

Particulars		Notes	As at March 31, 2024
I.	ASSETS		
	1 Non-current assets		
	(a) Property, Plant and Equipment	3	4.24
	(b) Capital work-in-progress	3	0.99
	(c) Intangible assets	4	18.15
	(d) Right of use of assets	5	7.61
	2 Current assets		
	(a) Inventories	6	49.83
	(b) Financial Assets		
	(i) Trade receivables	7	30.20
	(ii) Cash and cash equivalents	8	0.53
	(iii) Others	9	1.60
	(c) Other Current Assets	10	10.93
	TOTAL ASSETS		124.08
II.	EQUITY AND LIABILITIES		
	1 Equity		
	(a) Equity Share capital	11	33.41
	(b) Other Equity	12	(4.09)
	Liabilities		
	2 Non-current liabilities		
	(a) Financial Liabilities		
	(i) Lease liabilities	13a	5.54
	(ii) Other financial liabilities	14	4.79
	2 Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	15	72.17
	(ii) Lease liabilities	13b	2.24
	(iii) Trade payables	16	9.68
	(iv) Other financial liabilities	17	0.13
	(b) Other current liabilities	18	0.21
	TOTAL EQUITY AND LIABILITIES		124.08

Super Grip Corporation
Unaudited Standalone Statement of Profit and Loss for the Period
from November 2, 2023 to March 31, 2024
(All amounts are stated in INR Crores unless otherwise stated)

Particulars		Note	Year ended 31-Mar-2024
I.	Revenue from operations	19	36.70
II.	Other income		-
III.	Total Income (I + II)		36.70
IV.	Expenses:		
	Cost of materials consumed		
	Purchase of Stock-in-trade		70.33
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	20	(49.65)
	Employee benefits expense	21	10.15
	Finance costs	22	1.76
	Depreciation and Amortisation	23	1.15
	Other expenses	24	7.00
	Total expenses		40.74
V.	Profit before exceptional items and tax (III-IV)		(4.04)
VI.	Exceptional items		
VII.	Profit before tax (V - VI)		(4.04)
VIII.	Tax Expense:		
	(1) Current Tax		-
	(2) Current Tax (Previous years)		-
	(3) Deferred Tax		-
IX.	Profit for the year (VII-VIII)		(4.04)
X	Other Comprehensive Income		
	A Items that will not be reclassified subsequently to profit or loss		
	(i) Foreign currency translation reserve		(0.05)
	Other comprehensive Income for the year net of tax		
XI	Total Comprehensive Income for the year (IX+X)(Comprising Profit and Other Comprehensive Income for the year)		(4.09)

Super Grip Corporation
Unaudited Standalone Statement of Cash Flows for the Period
from November 2, 2023 to March 31, 2024
(All amounts are stated in INR Crores unless otherwise stated)

Particulars	Year Ended 31-Mar-2024	
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax		(4.04)
Adjustments for :		
Depreciation	1.15	
Interest expense	1.76	
		2.91
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(1.13)
Adjustments for :		
Trade Receivables	(14.99)	
Other Receivables	(12.47)	
Inventories	(10.87)	
Trade payables	7.23	
Other payables	2.49	
		(28.61)
Cash Generated From Operations		(29.74)
Direct taxes paid		-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(29.74)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment	(2.34)	
Payment towards acquisition of business	(72.02)	
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(74.36)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(0.03)	
Payment of lease liabilities	(0.92)	
Proceeds of loans	72.17	
Proceeds of shares	33.41	
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		104.63
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		0.53
OPENING CASH AND CASH EQUIVALENTS		-
CLOSING CASH AND CASH EQUIVALENTS (Refer Note 8(a))		0.53

Super Grip Corporation
Unaudited Standalone Statement of Changes in Equity as at March 31, 2024
(All amounts are stated in INR Crores unless otherwise stated)

(a) Equity share capital

Particulars	Amount
Opening Balance	-
Shares issued during the period	33.41
Balance as at March 31, 2024	33.41

(b) Other Equity

Particulars	Reserves and Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Foreign Currency Translation Reserve	
Opening Balance	-	-	-
Changes in accounting policy or prior period errors	-	-	-
Restated Opening Balance	-	-	-
Profit/(Loss) for the period	(4.04)	-	(4.04)
Other Comprehensive income/(loss) for the period	-	(0.05)	(0.05)
Balance as at March 31, 2024	(4.04)	(0.05)	(4.09)

Super Grip Corporation
Notes to the Unaudited Standalone Financial Statements for the year ended March 31, 2024
(All amounts are stated in INR Crores unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross Block				Depreciation				FCTR	Net book value	
	As at Nov 2, 2023	Additions during the year	Deletions during the year	As at 31 March, 2024	As at Nov 2, 2023	For the year	Disposals	As at 31 March, 2024	As at 31 March, 2024	As at 31 March, 2024	As at Nov 2, 2023
Freehold Land	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	0.86	-	0.86	-	0.10	-	0.10	-	0.76	-
Furniture and Fittings	-	0.21	-	0.21	-	0.01	-	0.01	-	0.20	-
Vehicles	-	2.87	-	2.87	-	0.17	-	0.17	0.01	2.71	-
Office equipment	-	0.64	-	0.64	-	0.07	-	0.07	-	0.57	-
Others (electrical)	-	-	-	-	-	-	-	-	-	-	-
Total	-	4.58	-	4.58	-	0.35	-	0.35	0.01	4.24	-
Capital work in progress	-	0.98	-	0.98	-	-	-	-	0.01	0.99	-
Total Gross Block	-	5.56	-	5.56	-	0.35	-	0.35	0.02	5.23	-

4. Intangible assets

Particulars	Gross Block				Depreciation				FCTR	Net book value	
	As at Nov 2, 2023	Additions during the year	Deletions during the year	As at 31 March, 2024	As at Nov 2, 2023	For the year	Disposals	As at 31 March, 2024	As at 31 March, 2024	As at 31 March, 2024	As at Nov 2, 2023
Goodwill	-	18.09	-	18.09	-	-	-	-	0.06	18.15	-
Total	-	18.09	-	18.09	-	-	-	-	0.06	18.15	-

**Notes to the Unaudited Standalone Financial Statements for the
year ended March 31, 2024**

(All amounts are stated in INR Crores unless otherwise stated)

5. Right of Use Assets

A. Movement in Right of Use Assets:

Particulars	Plant & Machinery
Gross Block at Cost	
As at 1st April 2023	
Opening Adjustments (on transition)	
Additions during the year	8.38
Deductions for the year	
As at 31st March 2024	8.38
Depreciation	
As at 1st April 2023	
Opening Adjustments	
Charge for the year	0.80
Deductions for the year	
As at 31st March 2024	0.80
FCTR Adjustment	0.03
Net Block	
As at 31st March 2024	7.61

B. Movement in Lease Receivable (Net of Liabilities):

Particulars	Amt
As at 1st April 2023	
Opening	
Lease payments during the year	
Rebates received/Adjustments	
As at 31st March 2024	7.78
- Non Current	5.54
- Current	2.24

6. Inventories

Particulars	As at 31.03.2024
Stock in trade	49.83
Total	49.83

7. Trade receivables

Particulars	As at 31.03.2024
Trade Receivables considered good - Secured	
Trade Receivables considered good - Unsecured	30.20
Trade Receivables - credit impaired	
	30.20
Less: Allowance for doubtful receivables	
Total	30.20

**Notes to the Unaudited Standalone Financial Statements for the
year ended March 31, 2024**

(All amounts are stated in INR Crores unless otherwise stated)

8. Cash and bank balances

Particulars	As at 31.03.2024
a) Balance with banks (i) in Current accounts	0.53
Total	0.53

9. Other financial assets

Particulars	
Other receivable	1.60
Total	1.60

10. Other current assets (Unsecured, Considered good)

Particulars	As at 31.03.2024
(a) Advance other than capital advance:	
<u>Other Advances:</u>	
Advances to suppliers	9.01
Less : Provison for Doubtful advance	
	9.01
(b) Others	
Balance with service tax and sales tax authorities	
Prepaid expenses	1.87
Others	0.02
	1.89
FCTR	0.03
Total (a) + (b)	10.93

11. Equity share capital

Particulars	As at 31.03.2024
Issued, Subscribed and fully paid up (400 equity shares at USD10,000 each)	33.41
Total	33.41

12. Other equity

Reserves and surplus

Particulars	As at 31.03.2024
Surplus	
Opening balance	
Profit for the year	(4.09)
Total	(4.09)

13. Financial Liabilities

Particulars	Amt
(a) Lease liabilities - Non Current	5.54
(b) Lease liabilities - Current	2.24

14. Other Financial Liabilities

Particulars	As at 31.03.2024
Other liabilities	4.79
Total	4.79

**Notes to the Unaudited Standalone Financial Statements for the
year ended March 31, 2024**

(All amounts are stated in INR Crores unless otherwise stated)

15. Borrowings (Current)

Particulars	As at 31.03.2024
Unsecured	
(a) Loans repayable on demand from banks	
from other parties	72.17
Total	72.17

Details of Unsecured loans

Loan taken from TVS Srichakra Ltd, India at interest rate of 6% p.a.

16. Trade payables

Particulars	As at 31.03.2024
outstanding dues of creditors	9.68
Total	9.68

17. Other financial liabilities

Particulars	As at 31.03.2024
Other creditors	0.13
Total	0.13

18. Other current liabilities

Particulars	As at 31.03.2024
Statutory payables	0.21
Total	0.21

**Notes to the Unaudited Standalone Financial Statements for the year ended
March 31, 2024**

(All amounts are stated in INR Crores unless otherwise stated)

19. Revenue from operations

Particulars	Year Ended 31-Mar-2024
Sale of Trading Goods	36.70
Total	36.70

19.1. Reconciliation of contracted price and net sales

Particulars	Year Ended 31-Mar-2024
Contracted price of sale of Traded Goods	36.73
Less: Discount and Commission	(0.03)
	36.70

20. Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	Year Ended 31-Mar-2024
Opening Stock of Finished goods & Traded goods	
Opening Stock of Work in progress	
Closing Stock of Finished goods & Traded Goods	(49.65)
Closing Stock of Work in progress	
(Increase) / Decrease in Finished goods & Traded Goods	(49.65)
(Increase) / Decrease in Work in progress	
Total (Increase) / Decrease in Stock	(49.65)

21. Employee benefit expenses

Particulars	Year Ended 31-Mar-2024
(a) Salaries and wages	10.15
Total	10.15

22. Finance costs

Particulars	Year Ended 31-Mar-2024
Interest expense	1.76
Total	1.76

23. Depreciation and Amortisation

Particulars	Year Ended 31-Mar-2024
Depreciation and Amortisation	1.15
Total	1.15

**Notes to the Unaudited Standalone Financial Statements for the year ended
March 31, 2024**

(All amounts are stated in INR Crores unless otherwise stated)

24. Other expenses

Particulars	Year Ended 31-Mar-2024
Processing Charges/Outsourcing Charges	0.11
Power & Fuel	0.38
Repairs to building	0.18
Repairs Others	0.24
Insurance	1.83
Rates & taxes	0.10
Telephone & Internet Charges	0.27
Travelling Expense	1.16
Advertisement and sales Promotion	1.07
Freight Out	0.32
Consultancy	0.95
Other expenses	0.39
Total	7.00