

Annual Report **2019**

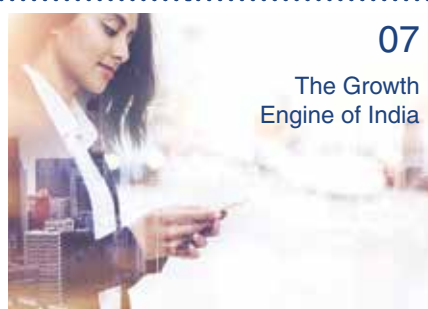
Delivering Future-Ready Solutions Today

INNOVATING FOR INDIA



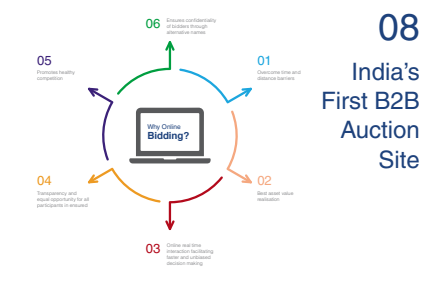
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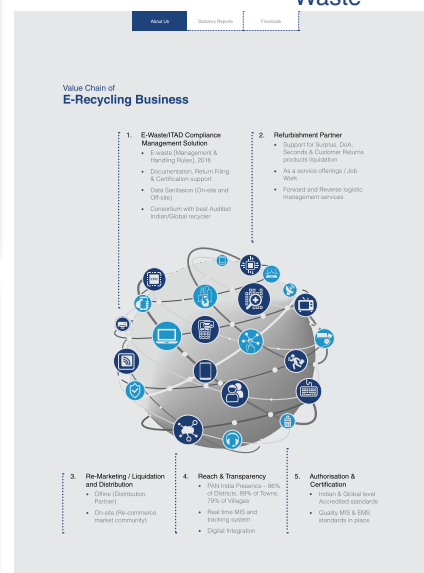
The Growth
Engine of India



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Management
Discussion and
Analysis



To view
Annual Report 2019 Online, visit:
<https://www.tvs-e.in/>



Delivering Future-Ready Solutions Today

With a legacy of over 10 decades, we trust in our ability to provide a distinct customer service experience. Gaining invaluable insights over the years, we have successfully deciphered the pulse of the market, allowing us to cater to the needs of our customers with ease. We are moving towards revolutionising the IT, Telecom & Consumer Electronics services industry by providing consumer centric end-to-end solutions.

One of our core values is to deliver, to the best of our ability, in whatever we set out to do. With this philosophy we have laid down the distinct groundwork for an effective and efficient solutions delivery. As of this financial year we have over 52 collection points, 71 drop points, over 300 service partners, 13 branch offices and over 1,200 feet on street across India, making us proud to commemorate our extensive network and infrastructure.

The digital world is changing at a fast pace, and so are the needs of our customers. Keeping this in mind, we plan to continue on our retailisation journey by expanding our network of centres and customers. We believe in building our customers' confidence in us in an authentic way, and endeavour to deliver 101% on our commitments. Fulfilling the requirements of IT, Telecom and Consumer Electronics markets through our end-to-end service solutions, we have positioned ourselves to meet the demands of the fast-changing tech savvy ecosystem.

The trust that we have earned in the industry — and amongst our customers — is a testament to our quality, shows commitment to our values, and most significantly, demonstrates our fair conduct in all business endeavours. By outperforming competition with a commendable 'Operational Excellence', and delivering value to over one billion customers, we are moving forward with the aim to connect with our customers in a more holistic manner.

Aiming to profitably add more value to our organisation, we are Aggregating Solutions and Expanding Footprints. Our passion to serve more customers better, is what makes us stand out from the rest.

At a Glance

At TVS Electronics, we have built the infrastructure and laid down the groundwork for an effective and efficient service delivery network. Our widely managed presence of exclusive & multi brand outlets and repair factories, ensure service touch-points in IT, Mobility and Consumer Electronics industries.

10

SI Partners

54

Banking Partners

50

Retail and Corporate

80

Central and State Government

+4,000

CPDs and ADPs

+2,000

Feet on street

52

Collection Points

13

Warehouses

71

Drop Point

13

Branch Offices - Pan India

180+

Multi-Brand Walk-In Centres

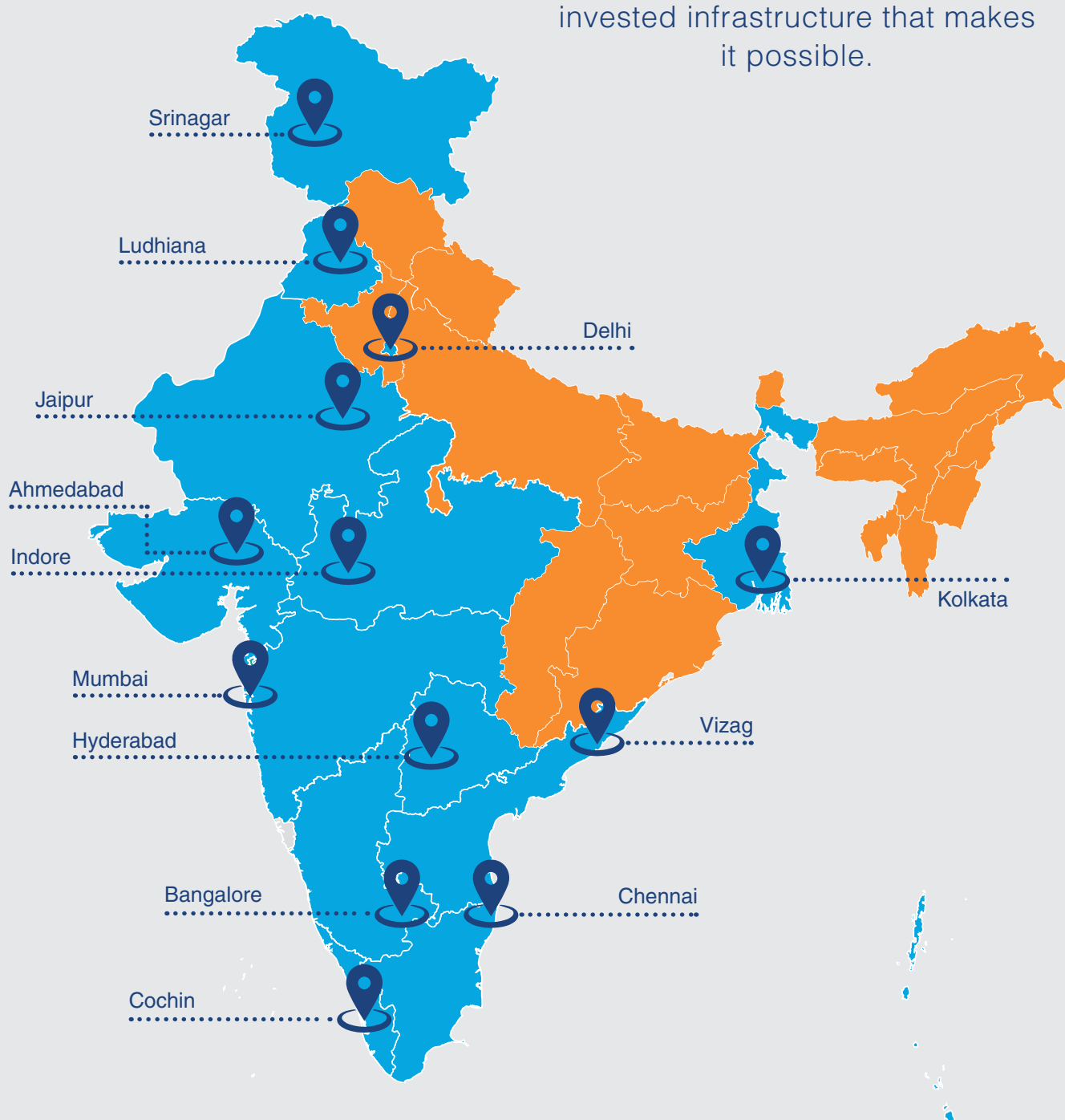
Out of +19,100 pincodes in India

+15,000

Pincodes serviced

Our Branch Presence

Having established strong processes and values, we stand tall with an extensive network and well-invested infrastructure that makes it possible.



Our Core Values

We stand for Trust-Value-Service. We deliver our tasks with packed commitment and believe in putting our customer's delight at the forefront of our values. We are a dynamic organization, leading from the front by constantly learning through innovation. The trust that we have earned in the industry, among our customers is a testament to our emphasis on quality, commitment to our values and most significantly, fair conduct in all our dealings. Our shared vision and aspirations for growth through consistent results keeps us going to the epicenter of the market and helps understand its pulse.

We are driven by a focused attitude towards strategy and its execution. Our determined passion to win urges us to scale up a notch every time, thereby constantly aiming to be the best. This is what makes us stand out from the rest. TVS is a pioneer in product quality and service.



Trust

Build trust authentically - Act inclusively Set and deliver 101% on commitments in a culture of meritocracy.



Vision

To be the leader - Deliver the best in whatever we do and whatever we are.



Service

Win in marketplace - Outperform competition through "Operational Excellence", deliver value for customers. Profitably adding Value.



Self-Initiative

I Lead, We win - Energised to take self-initiative in a positive manner with a positive attitude for team wins.



Connect to reality

Feet on the ground - Connect to customer and GEMBA, candid and strives to keep learning and decides with facts.

Corporate Information

Board of Directors

Gopal Srinivasan, Chairman
 Srilalitha Gopal, Managing Director
 (From May 11, 2018)
 D Sundaram
 Praveen Chakravarty
 (upto August 6, 2018)
 Nagendra Palles
 (upto January 31, 2019)
 M Lakshminarayan
 M F Farooqui
 Narayan K Seshadri
 (upto May 6, 2019)
 R S Raghavan
 K Balakrishnan
 (From August 9, 2018)
 V Sumantran
 (From August 9, 2018)
 Subhasri Sriram
 (From February 7, 2019)

Committees of the Board

Audit Committee

M Lakshminarayan, Chairman
 D Sundaram
 M F Farooqui
 K Balakrishnan
 V Sumantran
 Subhasri Sriram
 (From May 11, 2019)

Stakeholders' Relationship Committee

D Sundaram, Chairman
 Srilalitha Gopal
 K Balakrishnan

Nomination and Remuneration Committee

M F Farooqui, Chairman
 M Lakshminarayan
 Narayan K Seshadri
 (upto May 6, 2019)
 K Balakrishnan
 (From May 11, 2019)
 Subhasri Sriram
 (From May 11, 2019)

Corporate Social Responsibility Committee

M Lakshminarayan, Chairman
 D Sundaram
 R S Raghavan

Company Secretary & Compliance Officer

S Nagalakshmi (Upto Dec 31, 2018)
 K Santosh (CO From Feb 7, 2019 and CS from May 11, 2019)

Chief Executive Officer

Prakash Katama
 (upto September 30, 2018)

Vice President – Finance & Chief Financial Officer

Karthi Chandramouli
 (upto June 30, 2019)

Statutory Auditors

Deloitte Haskins & Sells,
 Chartered Accountants
 ASV N Ramana Tower, 52,
 Venkatnarayana Road
 T Nagar, Chennai – 600 017.

Secretarial Auditors

S A E & Associates LLP, Practising
 Company Secretaries,
 #4, "Aishwarya", 12B/177,
 6th Street Kumaran Colony,
 Vadapalani, Chennai-600026

Cost Auditor

P Raju Iyer, Cost Accountant,
 17 (Old No.8), "Shree Ram Villa",
 Hasthinapuram Main Road,
 Nehru Nagar, Chromepet,
 Chennai – 600 044.

Bankers

IDFC Bank

Website

www.tvs-e.in

Investor email ID

investorservices@tvs-e.in

Corporate Identity Number

L30007TN1995PLC032941

Registered Office

249-A, Ambujammal Street,
 Off TTK Road Alwarpet,
 Chennai-600018
 Tel: 91-44-42954800
 Email ID: contactus@tvs-e.in

Administrative Office

Arihant E Park, No 117/1
 8th & 9th Floor, L B Road
 Adyar, Chennai - 600 020
 Tel:91-44-4200 5200
 Fax No: 91-44-2225 7577

Plant/ Repair Factories locations:

Uttarkhand

No. E12, Selaqui Industrial Estate,
 Selaqui, Dehradun, Uttarkhand

Chennai (Repair Factory)

Valluvarkottam Tower-1, Bascon Maeru
 Towers Kodambakkam High Road,
 Chennai – 600 034

Tumkur

Panditanahalli, Hirehalli Post,
 Tumkur District, Karnataka

Share Transfer Agent

Sundaram -Clayton Limited,
 "Jayalakshmi Estates" I floor
 29, Haddows Road
 Chennai - 600 006
 Tel: 91-44-28272233 / 28307700
 Fax No. 91-44-2825 7121
 E-mail: kr.raman@scl.co.in
 sclshares@gmail.com

Shares Listed at

BSE Limited
 National Stock Exchange of
 India Limited



In sync with India's evolving requirements, we have understood the market's compelling need for a reputed aggregator such as TVS Electronics, for accessing integrated products and services across India.

The Growth Engine of India

Being an end-to-end solutions provider to the IT and ITeS industry, TVS - Electronics is well-positioned to benefit from the opportunity of servicing the growing technology adoption levels in India.

The surging demand for technology in India is being fuelled by an upsurge in demographic-led consumption. This is backed by an increase in income levels, along with a rise in purchasing power, changing consumer preferences and the desire of the country's youth to have a better quality of life. Furthermore, India has gained a brand identity as an IT and ITeS services lead knowledge economy, which is now a recognised growth engine for the country. Both these B2B and B2C trends have meant that the user base of technology and the variety and volume of equipment have grown exponentially over the years. However, this rapid increase in the equipment production has outpaced the growth of skilled equipment servicing capacity to serve the industry.

With a big portion of the servicing industry remaining unorganised and plagued with inconsistent quality of service and limited capabilities, there is a vast opportunity for organised players, such as TVS - Electronics, to tap into this under-served market for repair and maintenance services and enterprise equipment management solutions.

As an end-to-end solutions provider to the IT and ITeS industry, and an established network to serve growing consumer demands, TVS - Electronics is ideally positioned to benefit from the opportunity of servicing the growing technology adoption levels in India.

We have understood the nation's compelling need for reputed and accessible service providers to serve their growing needs. To be prepared for this surging demand, TVS is taking strategic steps towards integrating its resources to become a leading equipment management and servicing solutions provider to the marketplace.

To ensure that we fulfil the needs of customers from any corner of India, we have established a widely managed network of exclusive and multi brand outlets and repair

factories. Backed by skilled technical experts and an agile management team, we are laying down the groundwork for expanding our network to deliver our value proposition.

Aiming to offer solutions specifically designed to cater the needs of India, we are focused towards our strategy execution, with passion to become a pioneer in product quality and service.

+200

Authorised Service Partners – Pan India

15

Regional Repair Centres

+20

Warehouses/Drop Points – Pan India

India's First B2B Auction Site

With an aim to bring together buyers and sellers through comprehensive listings and asset matching facilities, TVS - Electronics launched India's first B2B auction site called AuctionIndia in the year 1999.

In the advent of the World Wide Web, businesses are rushing to take advantage of changes in their markets. While the consumer side of the Web explosion has been much touted, it is the business-to-business (B2B) market that has quietly surpassed expectations.

An important business model that is responsible for this new market expansion is the Internet or Web auction. Businesses are adapting the traditional auctions to the instantaneous "real-time" advantage of the Net, to reach new markets that were previously cost-prohibitive by reducing transaction costs. Using the Internet to facilitate commerce among companies promises various benefits such as reduced costs, greater access to buyers and sellers, improved marketplace liquidity, and a vast array of efficient and flexible transaction methods.

TVS-Electronics, being a part of India's foremost and well recognised self-owned business group, launched India's first B2B auction site called AuctionIndia (<https://www.auctionindia.com/>) in the year 1999, with the aim to bring together buyers and sellers through comprehensive listings and asset matching facilities. Our business model for the auction site is based on the click & mortar approach where the advantage of e-commerce and network enabled physical process are duly forged to obtain best results. Our online presence, supported by our Pan India network, helps us find solutions for all our customers' needs, along with the support of developing infrastructure and sales force.

We endeavour to provide superior value by using dynamic pricing-based solutions in the form of auctions, which helps us to create an online marketplace for industrial assets. Through the auction site, we specialise in providing disposal (forward auction) and procurement solutions (reverse auctions) based on online bidding events. Buyers are thereby able to source and procure their requirements from a wide range of suppliers at prices competitively driven down.



Through online auctions, TVS Electronics enables various cost saving mechanisms and is able to expand its reach, without any major investment. With the help of AuctionIndia, we are streamlining processes and creating a more dynamic business environment.