TVS HOLDINGS LIMITED

(Formerly known as SUNDARAM-CLAYTON LIMITED)

Annual Report of Subsidiary Companies for the year 2024-2025

CONTENTS

Direct Subsidiaries

1. TVS Motor Company Limited 1
2. Home Credit India Finance Private Limited 381
3. TVS Digital Limited 461
4. TVS Holdings (Singapore) Pte. Limited 484

Indian Subsidiaries of TVSM

5. Sundaram Auto Components Limited 490
6. TVS Motor Services Limited 538
7. TVS Electric Mobility Limited 565
8. TVS Credit Services Limited 581
9. Harita ARC Private Limited 792
10. TVS Housing Finance Private Limited 805
11. Harita Two Wheeler Mall Private Limited 818
12. DriveX Mobility Private Limited 831

Indian Subsidiaries of TVSM

13. TVS Motor (Singapore) Pte. Limited, Singapore 864
14. Celerity Motor GmbH, Germany 888
15. The Norton Motorcyle Co Limited, UK 893
16. TVS Digital Pte Limited, Singapore 907
17. TVS Motor Company (Europe) B.V 927
18. PT TVS Motor Company Indonesia 934
19. The GO Corporation 962
20. EBCO Limited, UK 969
21. Swiss E-Mobility Group (Holding) AG 981
22. TVS Motor Company DMCC 997

33rd Annual Report 2024-25

SHAPING TOMORROW'S MOBILITY, TODAY.

What's Inside

Theme Introduction 02
Highlights of the Year 04
Awards and Recognitions 06
Key Events of FY 2024-25 08

Company Overview

Corporate Portrait 10
Products and Services 12
Geographic Footprint 20
TVS Racing 22
Operating Context 24
Strategic Priorities 26
Board of Directors 28

Performance Review

Chairman's Communiqué 30
Managing Director's Statement 32
Key Performance Indicators 34
Spotlight Stories 36
- Long-term Strategy Fuelling Investor Returns 36
- Powering Global Ambitions with Purpose 38
- Showcasing the Future of Sustainable Mobility 42

R&D-first Approach 46

Environmental, Social and Governance (ESG)

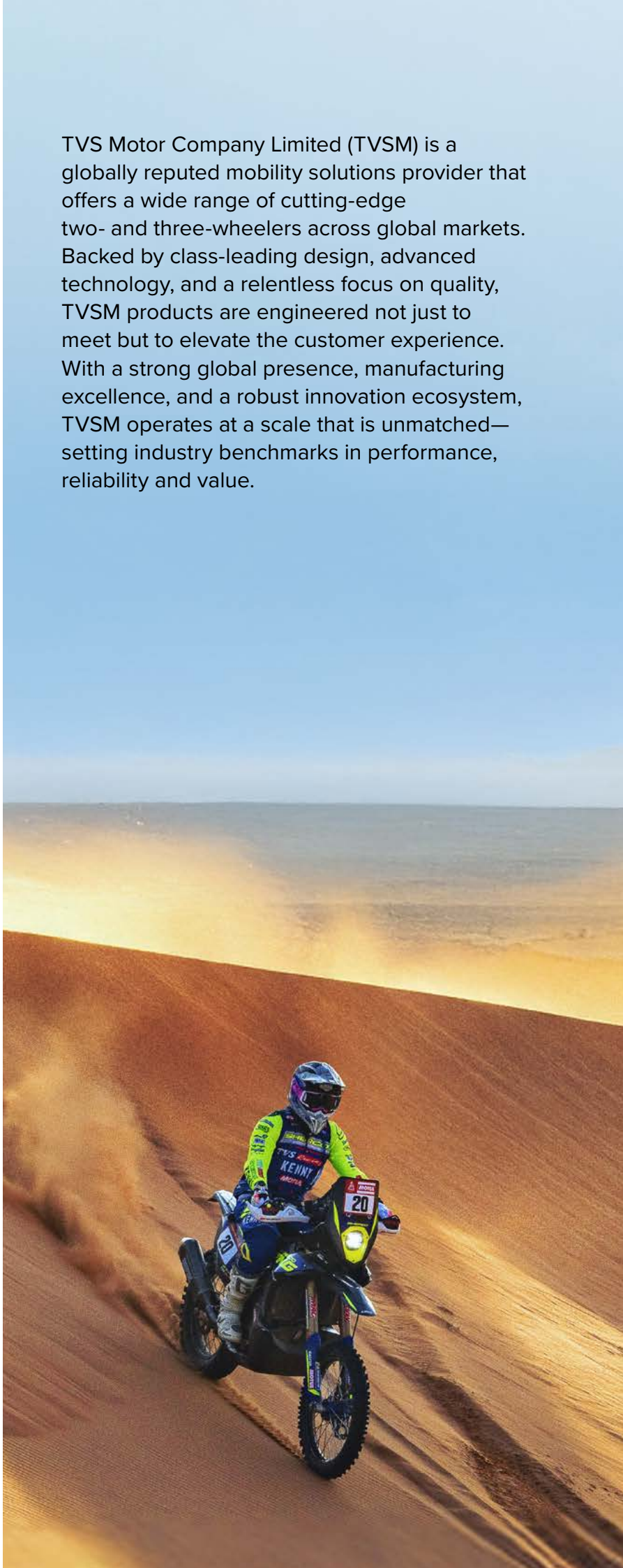
ESG Framework 52
Environmental Stewardship 56
Social 62
Governance 86

Statutory Reports and Financial Statements

Corporate Information 88
Financial Highlights 89
Directors' Report 90
Management Discussion and Analysis 97
Annexures to Directors' Report 132
Business Responsibility & Sustainability Report 137
Report on Corporate Governance 182
Standalone Financial Statements 220
Consolidated Financial Statements 286

Notice of Annual General Meeting 362

TVS Motor Company Limited (TVSM) is a globally reputed mobility solutions provider that offers a wide range of cutting-edge two- and three-wheelers across global markets. Backed by class-leading design, advanced technology, and a relentless focus on quality, TVSM products are engineered not just to meet but to elevate the customer experience. With a strong global presence, manufacturing excellence, and a robust innovation ecosystem, TVSM operates at a scale that is unmatched—setting industry benchmarks in performance, reliability and value.



63 Mn

Users of TVSM vehicles across the world

#4

One of the largest manufacturers of two-wheelers globally

JD Power

TVSM products consistently lead their segments in customer satisfaction surveys.

90+

Countries marking our global presence

TPM Advanced Special Award

First two-wheeler company in India with all plants certified by Japan Institute of Plant Maintenance

Shaping Tomorrow's Mobility, Today

As the world navigates a pivotal phase of shifting mobility expectations and transformative technology, the role of transportation has never been more central. At TVS Motor Company, we see this moment as an opportunity to redefine mobility our way — more integrated, intelligent, and inclusive. With a deep-rooted legacy in engineering excellence and customer-centric innovation, we continue to transform lives globally through mobility solutions that elevate experiences across formats — delivering on performance, flexibility, and future readiness.

From our earliest foray into personal transportation to becoming the world's fourth-largest two-wheeler manufacturer, our journey has been shaped by a singular purpose — transforming quality of life through mobility solutions. Built on deep customer understanding and engineering excellence, we operate at scale across geographies and riding needs. From urban commutes to spirited rides, enterprise applications to everyday convenience, we offer a wide spectrum of mobility formats designed to elevate experience. This ability to create with intent — responsive to evolving aspirations and use cases — is what continues to set us apart and move millions, every single day.

Our strength lies in understanding what riders truly need — across geographies, lifestyles, and aspirations.

This insight powers a seamless fusion of proven automotive engineering and advanced digital capabilities, enabling us to design, develop, and scale solutions across diverse use cases — from urban mobility to race-inspired performance. Our customer-first mindset extends into service, with intuitive support, connected experiences, and responsive care across the ownership journey. Every touchpoint reflects real-world relevance and thoughtful execution. Safety remains a foundational priority — engineered into our products, digital systems, and ecosystem — making every ride smarter, more confident, and deeply human-centric.

Sustained investments in R&D have strengthened our core capabilities and kept us ahead of the curve, while strategically chosen global partnerships have amplified our scale and accelerated our technological edge. With a growing presence across more than 90+ countries, we remain committed to creating mobility that is inclusive, responsible, and future-ready. Our focus is on delivering joyful movement today — without borrowing from the smile of tomorrow. From reducing environmental impact to giving back to communities, we strive to build trust, empower progress, and ensure that every mile we move forward contributes to a world that is safer, more equitable, and enduringly sustainable.

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Accelerating to New Heights

Capping twelve consecutive quarters of top-line growth, TVSM achieved new highs in FY 2024-25 with all-time high annual sales in both domestic and overseas markets, resulting in its best-ever revenue and profit.

All product categories in two-wheelers — scooters, commuter bikes, mopeds, and performance motorcycles — and three-wheelers registered robust growth. New launches, such as the new Jupiter 110, and upgrades of the existing portfolio helped TVSM gain market share and outpace the overall market.

FINANCIAL

⊕ Y-o-Y growth

₹36,309 Cr
Highest-ever total Revenue ⊕ 13.73%

₹2,486 Cr
Operating free cash flow

₹3,629 Cr
Highest-ever profit ⊕ 30.49%

₹114,992 Cr
Market capitalisation as on 31st March, 2025

12.3%
Highest-ever EBITDA margin ⊕ 1.2%

₹57.05
Earnings per share

NON-FINANCIAL

ENVIRONMENT

68,000 tCO_2e
Emissions avoided

16,915 KI
Water recycled

95.32%
Renewable energy used in Indian operations

SOCIAL

1.62 Mn
CSR beneficiaries

16%
Women in the workforce

3%
Differently-abled employees

Appreciation Strengthens our Resolve

HONOURING THE STALWART

ET Lifetime Achievement Award for Mr. Venu Srinivasan, Chairman Emeritus of TVSM, for his contributions to Indian manufacturing by ET Awards for Corporate Excellence.

Mr Sudarshan Venu, MD of TVSM, was honoured with India's best CEO award in Manufacturing and Retail Excellence Category by Business Today. He also featured in the list of India's best CEOs by Fortune and Business World magazines.

- 'Most Trusted Brand of India 2024-25' by Marksmen Daily in recognition of its dedication to quality and customer satisfaction.
- Multiple accolades from J.D. Power 2024 India:
  - The TVS Jupiter 125, TVS Radeon, and TVS Apache RTR 160 2V recognised in their respective segments under the Initial Quality Study (IQS).
  - TVS Apache RTR 2V and TVS Raider celebrated in their respective segments under the APEAL Study.
- CII Southern Regional EHS Awards 2023 for TVSM's efforts in energy conservation, environment restoration, road safety and health at work.
- Ranked among the Top 3 in 'India's Top 50 Most Sustainable Companies' in the automobile sector.
- 17th BML Munjal Awards for manufacturing excellence in the private sector.
- Recognition at the CII Design Summit for TVS Apache RR 310 and TVS X for their outstanding designs.
- Recognition for 'Best Corporate HR Practices' for Srinivasan Services Trust in 2025 at the 27th NHRD National Conference & 13th HR Showcase.
- 'India's 80 Most Valuable Companies' by Business Today.

A Year of Innovation and Expansion

From global launches and new market entries to creating memorable customer experiences, the year was marked with frenetic activity that kept us energised. TVSM's leadership was honoured for driving purpose-led growth with vision and conviction. Above all, the year reflected the Company's steadfast commitment to excellence, inclusivity, and intelligent mobility.

2024

PRODUCTS

- Welcomed a new edition of the Apache RR 310
- Launched the new 2.2 kWh battery variant of iQube electric scooter in Nepal
- Launched the all-new Jupiter 110
- TVS Ronin joins the Rann Utsav celebrations
- Launched two new three-wheeler models in Mexico
- Launched the TVS HLX 125 with five gears for global markets

- Won the 10th consecutive Indian National Rally Championship title
- Celebrated World Motorcycle Day 2024
- Presented the TVS INCLUVERSE initiative
- Registered wins at Indian National Motorcycle Racing Championship 2024
- Launched an all-women bike rally honouring 25th Kargil Vijay Diwas

PEOPLE & CULTURE

MARKETS & GLOBAL PRESENCE

Debuted the TVS iQube at Makina Motoshow, Manila

Made TVSM's presence felt at the Salon du 2 Roues de Lyon

Showcased TVS iQube at Jakarta Fair, Indonesia, making its debut in Indonesian market

Launched iQube electric scooter in Sri Lanka

Entered Morocco in partnership with Hindi Motors

Launched retail operations in Italy

2025

PROCESS & EXCELLENCE

Opened the Drift-R School, Pune – a specialised training academy

TVSM distributor — Ezz LCV — inaugurates a new assembly line in Egypt

Excelled in the JD Power 2024-25 India Two-Wheeler Initial Quality Study (IQS)

Shaped by Values Geared for the World

TVSM, the world's fourth-largest two-wheeler manufacturer, is driving global mobility with local insight and world-class engineering. Its integrated ecosystem of products, services, and support is designed to adapt to the unique needs of every market — delivering intelligent solutions that are both locally relevant and globally competitive. Deep market understanding and close collaboration with local communities enable the Company to design intelligent, future-ready solutions. This approach led to one of TVSM's strongest years in international business.

VISION

To transform the quality of life of people across the world by providing mobility solutions that are Exciting, Responsible, Sustainable and Safe.

MISSION

To be one of the leading companies globally in our chosen business segments, providing the most compelling mobility solutions through:

- An innovation-driven culture thriving on relentless reflection and teamwork
- Focus on speed and agility to seize opportunity in a Volatile Uncertain Complicated Ambiguous (VUCA) world
- Scalable technology platforms & solutions with highest quality to delight customers
- Commitment towards a sustainable future for societies and the environment

CORE VALUES

- Trust
- Value Maximisation
- Exactness
- Customer Obsession
- Speed & Agility
- Disruptive Mindset

Expansive Portfolio Personalised Experiences

TVSM delivers class-leading mobility solutions and a superior ownership experience across one of the widest customer segments in the industry. The Company combines innovation, reliability, and customer-focused engineering at scale in every product it delivers.

TVS Ronin 2025 Edition

Read more about our products and services here.

TVSM's products are technologically advanced, reliable, and safe. With the widest portfolio in the industry — including two-wheelers such as mopeds, scooters, commuter motorcycles, premium bikes, and three-wheelers — the Company caters to a broad and diverse customer base with evolving preferences. Its authorised service network provides comprehensive after-sales support to millions of satisfied customers across more than 3,800 locations throughout India.

47,43,636 units
Highest-ever sales – 2W & 3W (15% y-o-y growth)

2,81,846 units
Highest-ever EV sales (45% y-o-y growth)

MOTORCYCLES

TVS Apache RTR 310

TVS Apache RR 310

TVS Ronin

TVS Apache RTR 160 / 180

TVS Apache RTR 160 4V / 200 4V

TVS Raider

TVS Radeon

TVS StaR City+

TVS Sport

TVS Ntorq 125 with SmartXConnect
Know about this product and more here.

SCOOTERS

TVS Jupiter 125

TVS NTorq 125

TVS Jupiter 110

TVS Zest 110

ELECTRIC SCOOTERS

TVS X

TVS iQube

MOPEDS

TVS XL 100

TVS King EV Max
Know about this product and more here.

COMMERCIAL MOBILITY

TVS King

TVS King Deluxe

TVS King EV Max

TVS King Kargo

TVSM's Commercial Mobility Business (CMB) is a key player in India's last-mile commercial mobility industry. Matching the performance of other segments, CMB witnessed a phenomenal year in FY 2024-25, with a blistering 150% growth in overall revenues, crossing ₹700 crore. By FY 2029-30, the industry is poised to grow at a CAGR of 4.8%, offering significant room for TVSM's growth. The early success of TVS King EV Max sets TVSM up for positive growth in the segment.

TVS RONIN 2025 EDITION

- Upgraded safety features
- Dual Channel ABS in mid variant

PUSHING PERFORMANCE, POWER AND PASSION FURTHER

TVS APACHE RR 310

- Enhanced 38 PS power
- Bi-directional quickshifter, segment first features like aerodynamic winglets
- RT-DSC, TPMS, Cruise Control and transparent clutch cover

TVS APACHE RTR 160 RACING EDITION

- First-in-segment USD suspension
- Three riding modes, exclusive matte black colour scheme
- Carbon fibre race-inspired graphics and striking red alloy wheels

TVS NTORQ 125
AND THE RACE XP SERIES

- 124.8 cc, three-valve engine
- Race XP now has a matte black special edition and 10.2 PS engine (most powerful in its class)

NEW LAUNCHES IN FY 2024-25

TVS JUPITER 110

- Reimagined design
- Next-gen iGO Assist and 10% mileage boost
- Bluetooth-enabled dashboard and superior braking

TVS iQUBE

- Now three battery options to choose from – 2.2 kWh, 3.4kWh and 5.1kWh and TVS iQube ST in two variants
- TFT screen
- Wide variety of variants to choose from

Comprehensive Care for an Uninterrupted Journey

TVSM views mobility as a holistic experience that extends well beyond the ride. To strengthen this promise, the Company continues to enhance its service ecosystem through an extensive support network, intuitive digital platforms, and connected technologies. With a focus on reliable maintenance, transparent processes, and customer convenience, TVSM is reimagining aftersales to build ever lasting trust and deliver superior ownership experiences.

Drop us a Hi on
WhatsApp to avail these services,
or contact: (+91) 739716112

The TVS Care Advantage

4,500+
Authorised service centres

10,000+
Certified technicians

3,800+
Cities connected nationwide

30 years
of customer care expertise

TVSM MotoShield

TVSM Motoshield offers customers of premium motorcycles a differentiated after-sales experience through:

Vehicle Health Report (VHR), a detailed report covering key parameters like engine temperature, battery voltage, throttle position, tyre pressure, and oil checks. Around 75,000 customers availed this service in FY 2024-25, appreciating its transparency.

Self-care (Do-it-yourself) kits, for chain maintenance that empower riders, enhancing their confidence and self-reliance.

MotoShield Track Day for workshop technicians, where they ride the machines they service, sharpening their skills and ensuring superior service delivery.

Visit our website to avail the services

tvsmotor.com/our-service/our-products-and-offerings

Accelerating Growth across Continents

Having begun its journey in India, TVSM is now a global brand operating in Asia, Africa, Latin America and Europe. The Company's five manufacturing units, three in India, one in Indonesia and one in the UK, multiple distribution centres, and offices serve 90+ markets worldwide.

TVSM has been strategically expanding its global footprint by enhancing its EV as well as ICE portfolio, and strengthening its international distribution network. The Company established a new subsidiary, TVS Motor Company DMCC, in Dubai to lead research and strategy for growth across the Middle East and Africa, reinforcing its commitment to becoming a key player in these emerging markets.

6.4%
TVSM's global market share in FY 2024-25 (up 0.2% y-o-y)

99,624 units
Average monthly overseas sales in FY 2024-25 (up 13.2% y-o-y)

"We are unwavering in our ambition to be a global leader in mobility, delivering the most compelling solutions through innovation, agility and speed—all while ensuring exceptional customer experiences and a deep commitment to a sustainable future"

Sudarshan Venu
Managing Director, TVSM

Manufacturing facilities

Global offices

Map not to scale and for representation purpose only.

Investments and Partnerships

On a Full Throttle Ride to Victory

Racing has been part of TVSM's DNA since 1982, with TVS Racing credited for several firsts — from being India's first factory racing team to participating in the gruelling Dakar Rally and launching the world's first all-women racing team. The brand has consistently driven Indian motorsports forward by pioneering race formats, nurturing talent, and advancing technologies, bringing its 'track to road' philosophy to life through machines like the TVS Apache and Ntorq. FY 2024-25 was a milestone year, with TVS Racing securing an 80% podium finish and winning seven of nine championships.

A Thrilling Showdown on the International Tracks

- The 3rd season of the TVS Asia One Make Championship (OMC) ended on a high note, bringing together 15 top racers from 9 countries: the fierce competition from Moto3 riders and national champions Asia, reinforced OMC's status as one of Asia's most prestigious and competitive racing platforms

Dominant Wins and Historic Milestones in National Championships

- TVS Racing won both Team and Manufacturer titles in the INMRC Pro Stock 165cc and 301-400cc categories, with Sarthak Chavan becoming the youngest 301-400cc winner and Jagan Kumar claiming his 10th national title
- The Indian National Rally Championship (INRC) was plainly dominated by TVS Racing, which won in all three categories – Group A Superbike Pro Expert, Group B Scooter up to 210cc, and Group B Super Sport (above 165cc-260cc)
- In the Indian National Supercross Championship, TVS Racing won the Indian Expert Group B (up to 260cc) and finished as 1st runner-up in two other categories
- The 14th season of the TVS Indian One Make Championship concluded successfully, featuring 50 of the fastest racers from across India
- TVS Racing is driving India's MotoGP ambitions through Moto3 and electric supercross projects, with close collaboration between racing and product teams
- As the title sponsor for the next three years, PETRONAS will support TVS Racing across INSC, INRC and INMRC championships

Read more about TVS Racing here

TVS Racing
12
TVS
RK
AHM

TVS Racing
72

95

Reading the Market Pulse

TVSM operates in a fast-evolving landscape, both in India and globally. The Company is positioned to meet the rising demand in India for sustainable and affordable transportation solutions, driven by rapid urbanisation and population growth. TVSM is expanding its presence by leveraging cutting-edge electric vehicle technology, premium offerings, and strategic collaborations, ensuring it remains at the forefront of the global mobility revolution.

MARKET DRIVERS

1

Population Growth and Rapid Urbanisation

India's rapid urbanisation, with cities set to house 600 million people by 2036, is driving a surge in demand for mobility solutions. Urban areas are expected to contribute nearly 75% to GDP by 2031, highlighting the need for efficient, affordable, and inclusive transportation. As cities grow and infrastructure investments increase, accessible mobility will be crucial for supporting economic growth and workforce participation.

600 Mn

Indians will be residing in cities by 2036

Source: World Bank

2

Government Initiatives and Policies

Government initiatives have played a pivotal role in driving the shift towards sustainable mobility. Policies promoting EVs and reducing carbon emissions have reshaped the market, supported by schemes like Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) that offer subsidies and incentives to manufacturers and buyers. State-level policies, tax benefits, and investments in charging infrastructure are also encouraging faster adoption of EVs across the two- and three-wheeler segments.

₹10,900 Cr

Government outlay for PM E-DRIVE* scheme from 2024-2026

Source: Press Information Bureau

3

Technological Advancements

Technological advancements are driving growth in the two- and three-wheeler industry. Improvements in EV technology, battery efficiency, connected features, and safety systems are making mobility solutions smarter and more sustainable. Rising consumer awareness and regulatory push for safety and emissions are accelerating adoption. Innovation continues to be a key growth driver in urban and emerging markets.

$500 Mn

Projected investment in the Indian battery and mobility startup sector in 2026

Source: India Energy Storage Alliance (IESA)

*PM Electric Drive Revolution in Innovative Vehicle Enhancement

MARKET TRENDS

Electrification of Vehicles

The transition from conventional ICE-powered vehicles to electric two- and three-wheelers is a dominant trend across the world. The market is rapidly shifting towards electrification due to environmental concerns and government incentives. EVs are becoming more mainstream, particularly in the urban mobility space.

21%
Increase in sale of electric two-wheeler in FY 2024-25 (y-o-y)
Source: Parivahan

Rise in Shared Mobility Solutions

The popularity of shared mobility options like bike-sharing, e-scooter rentals, and three-wheeler taxis is growing, especially in urban areas. These models offer cost-effective transportation solutions and are becoming popular due to convenience and affordability.

56.4%
Increase in sale of electric three-wheelers in 2024 (y-o-y)
Source: TVSM

Sustainability and Green Initiatives

A shift towards environmentally friendly transportation solutions is evident with the rising focus on reducing carbon emissions. Companies are introducing more energy-efficient and eco-friendly options in their product portfolios, aligning with global sustainability goals.

45%
India's goal of reducing carbon emissions to 2005 level by 2030
Source: British Safety Council India

Integration of Smart Technology

The integration of connected technologies, such as telematics, GPS tracking, and mobile apps for ride-hailing services, is transforming the two- and three-wheeler industry.

₹44,038 Cr
Total allocation of PLI scheme for auto and ACC batteries
Source: Press Information Bureau

Increased Investments and Collaborations

The market is witnessing a surge in investments and mergers, attracting both domestic and global investors. Startups and established players alike are raising substantial capital, driving a wave of innovation and intensifying competition.

7.8%
Share of EVs in overall automobile sales in India in FY 2024-25
Source: EVreporter.com

Accelerating Future Growth

TVSM strives to transform the lives of people across the world by providing mobility solutions that are exciting, responsible, safe, and sustainable. Its global growth is powered by an innovation-driven culture, focus on speed and agility, high-quality scalable technology platforms, and a commitment to sustainability.

TVSM is reimagining mobility for a cleaner, smarter world — where electric and connected technologies form the bedrock of next-generation transportation. In this new era, where software defines performance, safety, and experience, TVSM is deepening its in-house strengths across EV architecture, battery intelligence, telematics and control systems. This technology-forward and sustainability-led approach is not just reshaping the future of mobility. As it moves into the next chapter of growth, the Company will be guided by five strategic priorities to scale with purpose and agility.

STRATEGIC OBJECTIVES

KEY DEVELOPMENTS IN FY 2024-25	THE ROAD AHEAD IN FY 2025-26
• Strengthened brand presence through an upgraded distribution network, launched flagship models like the Apache RTR 310 and upgrades across the Apache RTR & RR 310 series, Ronin and Ntorq • Leveraged racing experience through track-to-road technology transfer for Apache RTR 310 & RR 310 • Enriched TVS MotoSoul 4.0 to celebrate the spirit of motorcycling and to encourage a premium, community-driven biking experience for global enthusiasts	• Launch of an exclusive premium brand network in India to provide customers with a differentiated experience • Build an aspirational global brand through exciting riding experiences and community engagement • Expand the premium product lineup with innovative, feature-rich motorcycles targeted at global customers
• Expanded the EV portfolio with the launch of TVS King EV Max, an electric passenger three-wheeler equipped with a 51.2V lithium ion LFP battery with 9.2 kWh capacity • On the electric two-wheeler front, TVS iQube ST was launched with a larger battery capacity, up from 5.1 kWh to 5.3 kWh, which has increased range to 212 km in a single charge • Also introduced the fastest-charging variant of the TVS iQube, equipped with a 2.2 kWh battery capacity	• Continue expanding the EV portfolio to include electric motorcycles and scooters catering to the needs of entry-segment customers • Expansion of electric three-wheeler segment for varied markets (urban & rural) and applications (passenger & cargo) • Focus on building a connected, intelligent EV ecosystem • Build on strategic partnerships for joint development of electric three-wheelers and focus on global EV business expansion
• Launched the TVS King EV Max, the Company's first electric three-wheeler, with active plans to expand into electric cargo three-wheelers • Strengthened presence in the commercial mobility segment by aligning product development with evolving fleet and last-mile delivery needs	• Expand the commercial mobility product lineup with multi-fuel platforms • Enhanced focus on connected vehicle solutions to boost operational efficiency and uptime for fleet operators • Build products and solutions catering to diverse use cases
• Demonstrated product readiness at the Bharat Mobility Expo across multiple categories of mobility solutions – ICE, CNG, Ethanol, and electric • Institutionalised the 'My Sustainability Index' (MSI) to track environmental performance, enhance transparency, and encourage innovation • Focused on improving supply chain safety under the SA8000 for safety compliance • Embedded ESG principles across the Company	• Reduce environmental impact by minimising emissions, effluents, and waste; enhance energy efficiency, increase renewable energy use, and protect biodiversity • Diversify battery supply chain to reduce dependency on specific geographies and materials • Foster inclusive growth by ensuring a safe, healthy workplace, and strengthening EHS practices among suppliers, dealers, and contractors, and empowering rural communities through targeted training and development
• Expanded partnership with BMW Motorrad, focusing on developing new sub-500cc motorcycles for global markets • Entered European market through a distribution partnership, with homologated EV and ICE products • Focused on Africa, Latin America, ASEAN and the Middle East as key regions for export recovery and growth	• Expand the product lineup in key European markets and drive business expansion • Maintain positive momentum in the Africa market along with increasing sales volumes in the Middle East, ASEAN and LATAM countries

Leading the Charge Responsibly

Prof. Sir Ralf Dieter Speth
Chairman

Venu Srinivasan
Chairman Emeritus and Managing Director

C M

Shailesh Haribhakti
Independent Director

C

Dr. Deepali Pant Joshi
Independent Director

C M M

COMMITTEES

- Audit Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee

Sudarshan Venu
Managing Director

M M M

K N Radhakrishnan
Director and CEO

M M

Vijay Sankar
Independent Director

C M

B Sriram
Independent Director

C M

● Corporate Social Responsibility Committee

(C) Chairman (M) Member

Purpose and Precision for Progress

Dear Shareholders,

This year has been a landmark year for TVS Motor Company, marking a transformative chapter in our journey toward excellence and reflecting our ongoing dedication to sustainable and aspirational mobility solutions internationally.

TVSM continues our growth, delivering solutions that are guided by our vision; to transform quality of life by making mobility exciting, responsible, sustainable, and safe.

As the mobility sector undergoes profound shifts, we will continue to seize this moment and take the opportunity to lead through innovation. Our products reflect the integration of advanced technology, innovation and thoughtful design, delivering mobility experiences that are trusted, intuitive, and engaging.

TVSM remains unwavering in our commitment to leave a positive impact across generations, by bringing the best of India to the rest of the world.

Far-reaching Global Impact

TVSM continues to grow its presence, with a physical network of over 8,000 dealers covering more than 3,800 cities in India and 4,000 cities globally.

FY 2024-25 showcased TVSM's strongest performance to date, with 4.7 million units sold—a remarkable 13% growth on FY 2023-24. Of note, 2W exports grew significantly by 22.8%, reaching 1.09 million units, led by Africa and Latin America's strong performance.

In addition, and as part of building an accessible ecosystem to enable more people to move, our subsidiary, TVS Credit Services Limited, served more than 19 million customers in India. PBT for the year grew by a strong 35% to ₹ 1,025 crore against last year ₹ 762 crore.

One of the key milestones in our global journey will be the launch of our iconic British brand, Norton, in Q3 FY 2025-26 in the UK, India, and key European markets to further capitalise on the growing demand for premium and desirable mobility brands.

These results and milestones reflect our global ambition to serve customers across continents with a unique

international workforce and local Indian expertise, driving a competitive, challenger-mindset.

Quality and Manufacturing Excellence as a Philosophy

Our focus on quality is an expression of our belief that trust is built through consistency and attention to every detail across people, processes, and products. This commitment ensures every product and service delivers exceptional reliability, safety, comfort, and performance that exceeds expectations.

Our dedication to operational excellence and continuous improvement has earned TVSM significant industry recognition. In a landmark achievement, all our manufacturing plants in India were awarded Level 4 of the prestigious TPM Advanced Special Award. With this, TVSM became the first two-wheeler manufacturer in India to receive this distinction across all its factories – a testament to our industry-leading standards in product quality, operational efficiency, and rigorous TPM practices.

Our focus on quality is also validated by independent benchmarks like the J.D. Power 2025 India Two-Wheeler Study, where TVSM outperformed compared to the industry average. This consistent outperformance reinforces our position as a quality leader and reflects the trust and satisfaction of our customers worldwide.

Performance Culture that Rewards Excellence

Our most valued asset remains our people. Our success over the past decade reflects the passion, integrity, and purpose with which our teams operate – across factories, service centres, research units and boardrooms. We continue to invest in talent development, embrace diversity, and build future-ready skills. Over the years, women have come to represent nearly 20% of our workforce. We are especially proud of the long tenure of many individuals who have been with us for up to three decades, exemplifying the strength of our culture and commitment to our people.

Our Commitment to ESG

Environment, Social, and Governance (ESG) principles are woven into our business strategy. On the environmental front, we continued to make strong progress towards our decarbonisation goals. In FY 2024-25, we reduced carbon emissions by 13.6%, sourced 95.3% of our energy from renewables, and recycled 17,854 million tonnes of industrial waste.

In addition to investment into decarbonisation and expanding our operations in the EV segment, TVSM undertakes other sustainability initiatives, including the TVS Greening Minds programme, which integrates environmental stewardship into TVS' operations.

Transforming Quality of Life

Srinivasan Services Trust, our social impact arm, enriches lives as an integral part of TVS.

Our commitment to social responsibility extends our social impact arm to become more than a helping hand; it is at the heart of TVS, driving our business forward with the same philosophy and momentum. Our focus is on sustainable impact for long-lasting change to break generational poverty, and create self-reliant, thriving communities.

Srinivasan Services Trust has transformed over 2,500 villages through robust community infrastructure, education, and health initiatives.

TVS' guiding values emphasise trust, integrity, and service to the community, ensuring that TVS actions align with the commitment to societal well-being and sustainable development.

Our Gratitude for Invaluable Support

I extend my heartfelt gratitude to the leadership team, employee union, employees, partners and all stakeholders for the unwavering support and trust in TVSM this year. Your confidence in our vision has been instrumental in driving remarkable success, despite global uncertainty.

Guided by our core values, we are confident of our ability to shape the next chapter of global mobility with purpose and precision.

Regards,

Sir Ralf Speth
Chairman
TVS Motor Company

A Record-breaking Year of Growth, A Future of Opportunities

Dear Stakeholders,

It is with excitement and gratitude that I present the performance of TVSM for FY 2024-25 – a landmark year that delivered record-breaking results.

This milestone year reflects more than commercial success – it is a result of our enduring commitment to technological innovation and manufacturing excellence that is firmly embedded in our DNA.

We have remained resilient amid global volatility by strengthening our localised manufacturing footprint, expanding our diversified sourcing network, and nurturing long-standing vendor relationships to continue delivering the most compelling and aspirational mobility solutions globally.

A Year of Strong Growth

In FY 2024-25, TVSM achieved record high sales of 4.7 million units, up from 4.2 million units in FY 2023-24. Operating revenue reached a historic high of ₹ 36,251 crore, reflecting a 14% year-on-year (y-o-y) growth over the ₹ 31,776 crore recorded in FY 2023-24.

Profitability continued to scale new heights as EBITDA rose by 27% y-o-y, accompanied by a 120-basis points improvement in EBITDA margin. This marks a decade of consistent growth in EBITDA margins reaching 12.3% in FY 2024-25, up from 6.4% in FY 2014-15. Consequently, PBT also registered an impressive 30.5% y-o-y growth, rising to ₹ 3,629 crore.

Our strong performance was driven by balanced growth in key segments. In FY 2024-25, our two-wheeler internal combustion engine (ICE) business grew by 12%, outpacing the industry's growth of 10%. Simultaneously, our EV two-wheeler sales recorded a stellar 45% y-o-y growth. The growth was mainly attributable to a well-rounded, continually refreshed product portfolio, resulting from our technology-forward approach and agile product development.

Technology and Innovation as a Catalyst for Future Growth

At TVSM, technology and innovation form the cornerstone of our growth. Our commitment lies in not merely keeping pace with the industry, but in consistently shaping its trajectory. By harmonising cutting-edge technology with engineering innovation, we strive to be disruptors and market-movers – not followers.

Our strategic investments in R&D are aimed at anticipating customer needs, delivering intuitive mobility solutions, and ultimately, driving sustained topline growth through superior user experiences. In FY 2024-25, we invested ₹ 1,024.95 crore in R&D, surpassing the ₹ 1,000 crore mark for the first time in our history – a clear milestone and testament to our belief in innovation-led growth.

With our vision for transforming mobility solutions through innovative problem-solving, we gained a significant early mover advantage through our investments in sustainable mobility. Our flagship electric scooter, the TVS iQube, continues to redefine urban mobility in India. iQube sales grew by 45% y-o-y in FY 2024-25 and has been the best-selling electric two-wheeler in the country in the first few months of FY 2025-26. It continues to garner strong demand in international markets, especially in South Asia.

We believe innovation must penetrate beyond product design – it should be embedded across the value chain to unlock operational efficiencies. We are integrating digital technologies and AI-driven tools to enhance customer experience – on and off the vehicle. Across our operations, AI-led processes are being deployed to make mobility smarter, safer, and more responsive to customer needs.

As stated by our Chairman in his message, our people are our best asset, and we will continue to invest in upskilling and improving workforce diversity.

A Future of Opportunities

We are only at the beginning of our journey and history. We see tremendous opportunity on the horizon as the demand for two- and three-wheelers continues to grow, supported by favourable macroeconomic trends, such as a reduction in benchmark repo rates, hikes in income tax rebates and infrastructure-led consumption.

Norton Motorcycles will launch towards the end of FY 2025-26 in the UK, India, and key European markets. Four new models will be launched and will be available for the summer of 2026. The new Norton motorcycles will follow the Company's philosophy of 'Design, Dynamism, and Detail'.

TVSM will be entering the adventure tourer segment in India, and we would also be launching our made-in-India electric bicycles in FY 2025-26. With our diversified product portfolio, sharp customer focus, and challenger mindset, we are strategically positioned to capitalise on this momentum.

As we look ahead, we remain focused on unlocking the next wave of growth opportunities – driven by digitalisation, customer-centric innovation and sustainability. We aim to solidify our position as a market leader and continue delivering long-term value growth to our stakeholders. We appreciate the support of the Board, the entire TVSM team and stakeholders, and look forward to an exciting journey ahead.

Regards,

Sudarshan Venu
Managing Director
TVS Motor Company

Growing from Strength to Strength

FINANCIAL PERFORMANCE

Revenue (₹ in crore)

36,309

13.73% 11.1%

Sales volume (Nos. in million)

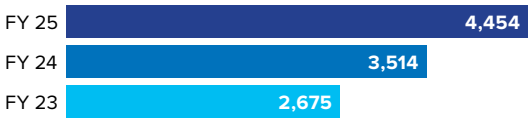
4.74

13.13% 8.8%

EBITDA (₹ in crore)

4,454

26.75% 18.52%



EBITDA margin (%)

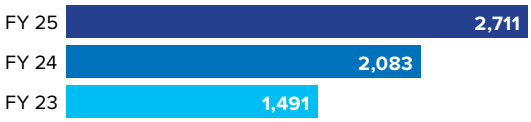
12.3

10.8% 6.79%

PAT (₹ in crore)

2,711

30.15% 22.05%



PAT margin (%)

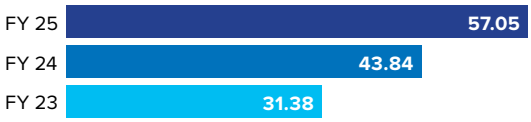
7.5

13.6% 9.58%

Earnings per share (₹)

57.05

30.13% 22.05%



Dividend per share (₹)

10

25% 25.99%

y-o-y growth 3-year CAGR

TVSM marked its fifth consecutive year of topline growth in FY 2024-25, outpacing the broader industry. This performance was driven by robust domestic demand, led by the refreshed Jupiter 110 and the popular Apache series, alongside sustained global momentum-highlighted by the TVS HLX crossing the 4 million unit cumulative sales milestone worldwide.

NON-FINANCIAL PERFORMANCE

Specific energy consumption (GJ/revenue)

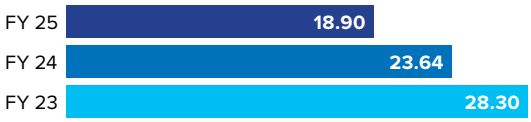
18.67

6.04%

Specific water intensity (Kl/revenue)

18.90

20%



Specific emission intensity (Scope 1 and 2) (tCO_2e/ revenue)

0.65

8.45%

Specific waste intensity (tonne/revenue)

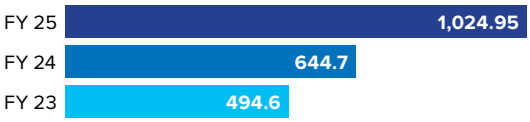
0.58

11.5%

R&D spend (₹ in crore)

1,024.95

59%



Women in the workforce (%)

16%

28.5%

CSR beneficiaries (Nos. in lakh)

16.10%

0.63%

Employees with physical disability (%)

3

50%

y-o-y (lesser the better) y-o-y growth

Long-term Strategy Fuelling Investor Returns

Over the past decade, TVSM has not only transformed into a global mobility player but has also delivered superior risk-adjusted total shareholder returns — capital appreciation and dividends. Although India's robust economy and capital markets provided strong tailwinds, the Company's strategic foresight, excellent execution, and strong financials powered its continued outperformance vis-à-vis the broader markets.

828%

Returns to shareholders over a decade of stellar growth

Note: Closing price as on 31st March

25%

Total shareholder return and share price increase (10-year CAGR) FY 2015-2025

What Makes TVSM a Compelling Investment

This extraordinary performance is not merely a product of market momentum — it is the outcome of a bold, multi-pronged strategy that transformed TVSM from a domestic two-wheeler manufacturer into a global, innovation-led mobility brand.

Global Expansion

TVSM has aggressively expanded its international presence, particularly in Africa, Latin America, and Southeast Asia. By 2025, exports accounted for almost 30% of its total volume, making it India's second-largest two-wheeler exporter.

Early Bet on Electric Mobility

The Company's foresight in investing in EVs has proved decisive. Its flagship EV, the TVS iQube, evolved from a niche product into a major growth driver. Strategic partnerships — like its investment in Swiss e-mobility firm EGO Movement and the Norton Motorcycle acquisition in the UK — positioned TVSM as a tech-forward player in both emerging and premium markets.

Premiumisation and Product Innovation

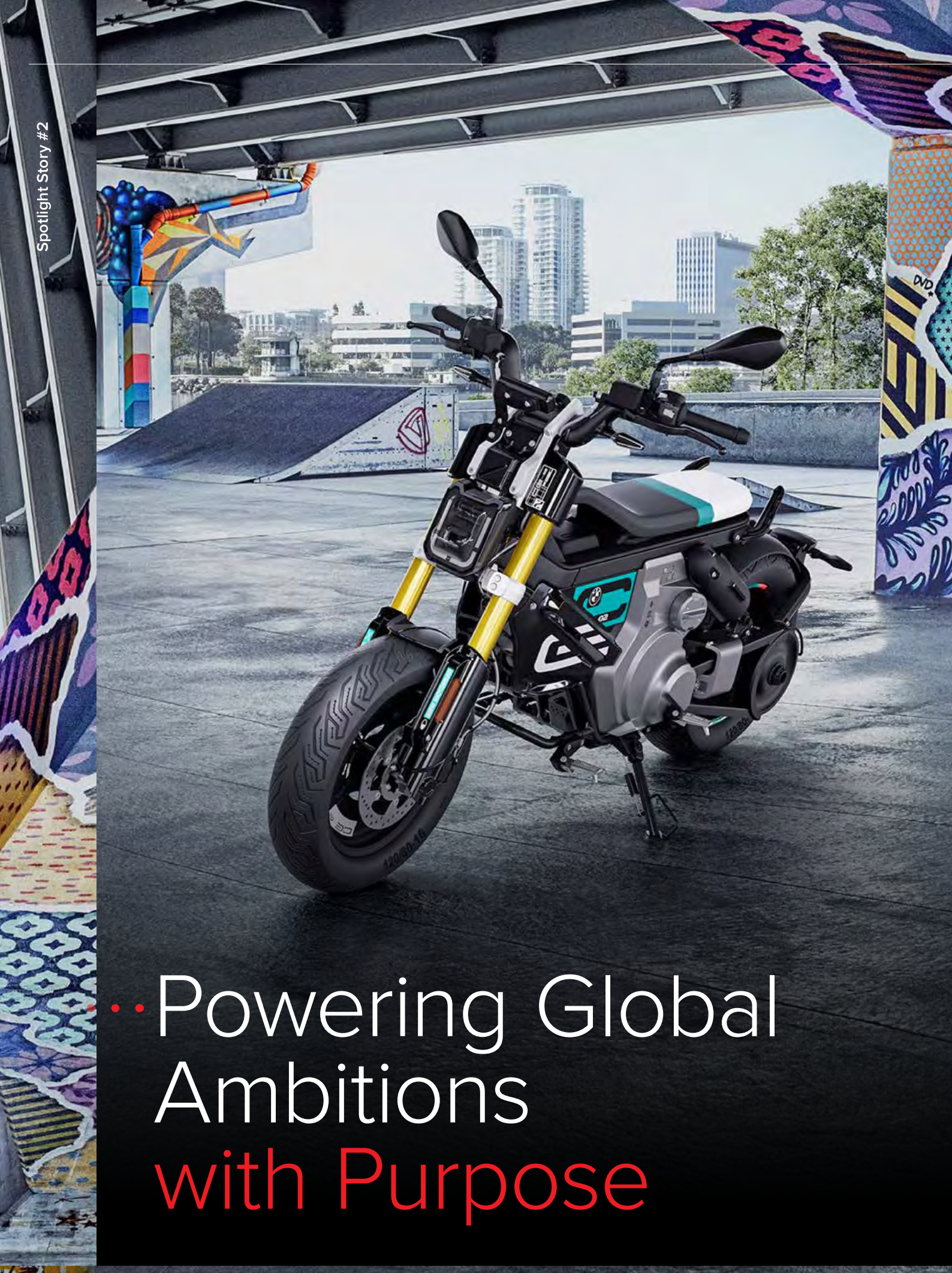
TVSM has shifted focus from mass-market models to premium bikes and scooters. Launches like the Apache RR 310 and NTorq series has elevated the brand's appeal among younger consumers and improved margins. The Company has also continuously invested in R&D, ensuring a steady stream of technologically advanced models.

Operational Efficiency

Strong supply chain management, digitalisation, and cost optimisation led to consistent margin expansion. Between FY 2014-15 and FY 2024-25, operating profit margins improved from 6.36% to 12.30%.

Financial Discipline and Growth

TVSM grew its net profit from ₹ 348 crore in FY 2014-15 to ₹ 2,711 crore in FY 2024-25. Its market capitalisation crossed ₹ 1 lakh crore in 2024, ensuring its entry into the elite club of India's top auto companies.



Powering Global Ambitions with Purpose

TVSM is accelerating its journey as a global mobility leader with a sharp focus on EVs, premiumisation of its brand and products, and building strategic partnerships. This strategic direction is supported by TVSM's leadership in ICE and EV innovation, its growing global recognition, and diversified network that now spans five continents. FY 2024-25 marked a transformative year as the Company deepened its presence across regions, riding on technology leadership and a steady focus on sustainable mobility.

90+

Countries where TVSM's products are sold

24%

Contribution of exports to the Company's revenues

Building the Global Mobility Ecosystem

TVSM's international growth strategy is anchored in three powerful pillars

Forging global collaborations for distribution and technology

Building a premium and future-ready product portfolio

Expanding its footprint through targeted acquisitions and market-driven investments

At the heart of this vision lies a determined push to make EVs the cornerstone of TVSM's global play, positioning India as an export hub for sustainable mobility solutions. This strategic direction is supported by TVSM's leadership in ICE and EV innovation, a growing global brand recognition and love, and a diversified network that now spans over 90+ countries.

The Company's investments in product development, EV technology, and premium offerings are complemented by its tie-ups with local partners in key geographies. TVSM's enduring partnership with BMW Motorrad continues to shape advanced R&D, a major highlight of the reporting year being the global rollout of the co-developed electric BMW CE 02. The alliance has also unveiled the BMW 450 GS and is advancing a pipeline of super-premium models and cutting-edge technologies.

TVSM's acquisition and revival of the iconic Norton Motorcycles and ownership of Swiss e-bike companies like SEMG and EGO Movement are testament to the Company's premiumisation and global ambition. With expanding manufacturing capabilities both in India and Indonesia, and a Global Capability Centre that is in the process of being set up in Dubai to strategically grow in the Middle East and Africa, the Company is laying down the infrastructure for long-term international scalability.

A YEAR OF DYNAMIC GLOBAL EXPANSION

Europe

TVSM has made a decisive entry into Western Europe through distribution partnerships in France and Italy.

- At Lyon's Salon du Deux Roues, TVS showcased its premium EV and ICE range — including the iQube S, TVS X, and Apache 310 series — marking the beginning of its European journey with partner Emil Frey
- Italy saw TVSM's launch of advanced models across both electric and ICE categories, as well as e-bikes

ASEAN and South Asia

TVSM continued its ASEAN push with the following:

- Showcasing the iQube at the Makina Motoshow in Manila, reinforcing its sustainability-focused urban mobility agenda
- In Sri Lanka, it expanded the EV lineup with the launch of the iQube 2.2 kWh battery variant in three configurations and six colours
- Through its Indonesian facility, TVSM is strengthening EV penetration in ASEAN markets, where advanced testing and localisation are already in motion

Global Highlights

1.09 Mn

Two-wheeler exports in FY 2024-25, increased from 1.01 Mn in the previous year.

4 Mn+

Customers across 50 countries bought the rugged and versatile HLX series

22.8%

Y-o-Y increase in two-wheeler exports, with Africa and LATAM leading the growth

Africa and Middle East

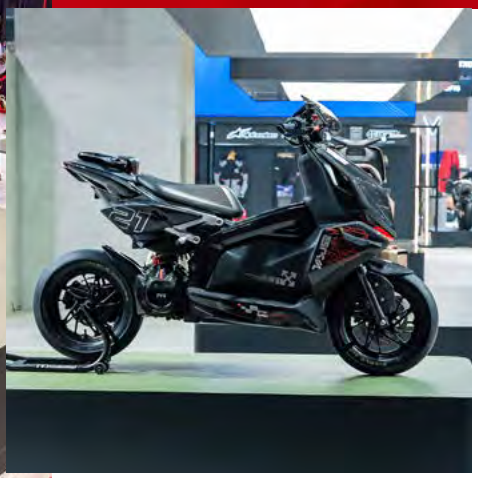
- A key highlight was the inauguration of a $6.5 Million assembly plant in Egypt in collaboration with Ezz LCV, aimed at assembling the Apache RTR, XL 100, and HLX models
- In Morocco, TVSM partnered with Hindi Motors to bring models like the Apache 160/200, Ntorq 125, and Raider 125 to local consumers
- TVSM established a wholly-owned subsidiary in Dubai — TVS Motor Company DMCC — to support business development, aftersales, and parts distribution across the Middle East and Africa

Latin America

- TVSM made a notable impact in Colombia by launching the Apache RTR 310, strengthening its high-performance segment
- In Mexico, it unveiled the TVS King Duramax Plus and King Deluxe Plus three-wheelers in partnership with Motomex

Showcasing the Future of Sustainable Mobility

At the Bharat Mobility Global Expo 2025, TVSM showcased a comprehensive range of mobility solutions that reflected its bold vision for sustainable and intelligent transportation. From the world's first CNG scooter to India's first Android Auto-integrated electric two-wheeler, the exhibit underscored TVSM's commitment to innovation across platforms, powertrains, and technologies. TVSM also received an award for its iQube Vision 2.0 concept, further reinforcing its leadership in future-ready mobility solutions.



At the Bharat Mobility Global Expo (BMGE) 2025, TVSM firmly established its position as a global leader in future mobility by unveiling a transformative lineup of innovative and sustainable mobility solutions. Aligned with the theme of 'Designed and Made in India, for the World', the Company's showcase demonstrated its technological prowess and also signalled its growing influence as a responsible, forward-thinking global mobility brand.

The TVSM pavilion was a magnet for innovation, featuring several industry-first concepts. Among the highlights was the unveiling of the world's first CNG scooter, the TVS Jupiter CNG, offering bi-fuel flexibility and ultra-low running costs, redefining eco-friendly commuting. Also grabbing headlines was the TVS X, the first Android Auto-powered electric scooter in India, developed in partnership with Google. This marks a pivotal moment in connected mobility, offering a seamless and smart riding experience with real-time navigation and infotainment.

Futuristic Innovations

TVSM's display also emphasised urban and last-mile mobility with the TVS Concept EB1, a futuristic electric bicycle that is rare-earth magnet-free and fully connected, and the TVS King Electric three-wheeler, an advanced, spacious EV solution for shared mobility.

TVSM also presented future concepts of existing models such as the TVS Vision iQube, TVS iQube ST 2025, and TVS X NFE (Nacht Fury Edition) — each packed with next-gen features like voice-command interaction, customisable interfaces, geo-fencing and even onboard drones.

Pushing the Boundaries

The expo also saw TVSM showcasing the Norton V4CR, a powerful café racer combining artistic design with modern engineering, signalling the Company's investment in premium motorcycle segments for both local and international markets. Further pushing performance boundaries, TVSM displayed the TVS RTSx, a Supermoto beast with a new 300cc engine tailored for versatility across terrains. The Company's TVS Racing division reaffirmed its innovation leadership by displaying EV race machines and Dakar-ready models, celebrating its pioneering spirit in motorsports.

A Matter of National Pride

The expo also served as a vibrant platform for TVSM to promote artistic custom motorcycles, such as the Ronin Rann Utsav edition, which beautifully fused Indian craft traditions with modern design. Meanwhile, a comprehensive collection of accessories and merchandise — from riding gear to Bluetooth-enabled helmets — reflected TVSM's expanding lifestyle ecosystem.

From sustainable technologies to cultural storytelling and high-performance engineering, TVSM proved that it is not just building vehicles, but also shaping the future of mobility. The presence of dignitaries like Union Minister of Road Transport and Highways, Mr. Nitin Gadkari, Union Minister of Heavy Industries, Mr. H.D. Kumaraswamy, and Minister for Industries, Investment Promotions and Commerce, Government of Tamil Nadu, Dr. T.R.B. Raja, underscored the national importance of this effort.

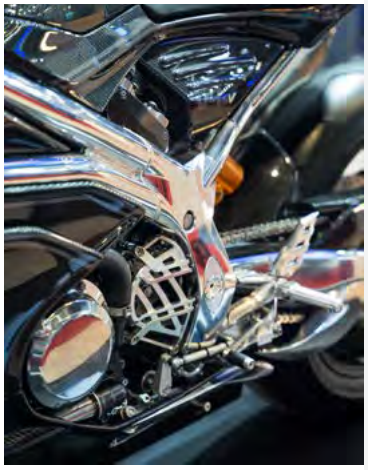
Norton Gears Up for a Comeback

For the second year in a row, a reinvigorated Norton Motorcycles sped up the Goodwood Hillclimb at the iconic Goodwood Festival of Speed in July 2024. TVSM's five-year ownership of the iconic British motorcycle maker was marked by the fulfilment of orders from customers of the previous company, with vehicles born out of the re-engineered Commando and V4 platforms. This marked a significant turning of the page before the 126-year-old brand embarks on a fresh journey, with the launch of six models by 2026, starting with the flagship 1200cc four-cylinder superbike.

The Norton V4CR—the most powerful café racer from the UK, was also one of the showstoppers at the Bharat Mobility Expo in January 2025 in New Delhi. This model combines artistic design with a strong 185 brake horsepower and features hand-crafted precision alongside modern engineering.

Since the takeover in 2020, TVSM has invested heavily in Norton, focusing on designing, developing, and producing a diverse range of motorcycles tailored for both domestic and international markets. This strategic investment aims not just to restore Norton's iconic status, but to offer something novel and unique to new-age riders across key markets, including the UK, US, France, Germany, Italy, and India.

Centred around the philosophy of 'Design, Dynamism, and Detail,' Norton's comeback is not just about cutting-edge motorcycles but also about a differentiated retail experience that will raise industry standards and create a new benchmark.



Pioneering Smarter Journeys through Advanced Research and Visionary Innovation

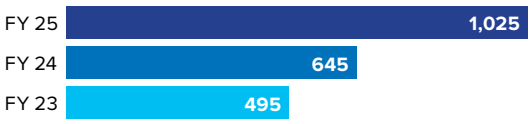
In a fast-evolving mobility ecosystem, TVSM has made R&D its cornerstone, fuelling innovation, sustainability, and user-centric technology. TVSM's consistent focus on R&D and its 'road-to-track' philosophy culminate in a strong product pipeline. For the last two decades, the Company has been steadily increasing its R&D investment and creating better domain expertise through competency development and recruiting of passionate engineers, designers and technology specialists.

Over the past few years, TVSM's R&D investments have grown from ₹ 495 crore in FY 2022-23, to an all-time high of ₹ 1,025 crore in FY 2024-25. This upward trajectory reflects a strategic focus on building a smarter, cleaner, and more connected mobility future.

Increased R&D Spend across the Years

Investment (₹ in crore)

1,025



Improving Sustainability

Beyond driving product leadership, R&D at TVSM has significantly enhanced operational efficiency through the optimisation of systems and processes. A key strategic pillar is the development of sustainable mobility solutions. This includes the integration of recyclable and reusable materials in product design, and the engineering of advanced powertrains that surpass current emission standards. Each design and material selection is guided by a lifecycle approach aimed at minimising environmental impact while aligning with global sustainability benchmarks.

85%
Recyclable parts in the current product range

>90%
Recoverable parts

Lightweighting

At TVSM, Research & Development extends beyond incremental product enhancements to encompass advanced engineering initiatives. A core area of focus is lightweighting, systematically applied across all brands and segments. This strategic emphasis has yielded measurable gains in vehicle performance, fuel efficiency, and electric vehicle range. In a dynamic operational landscape where responsiveness and resource optimisation are critical, such innovations are pivotal to maintaining competitive advantage.

Integrating Predictive Technologies

Recognising the disruptive potential of Artificial Intelligence (AI) in redefining vehicular intelligence, TVSM is strategically embedding AI capabilities across its electric vehicle platforms. AI algorithms are being leveraged to enable adaptive performance tuning, real-time ride optimisation, and contextual responsiveness based on rider behaviour, terrain topology, traffic density, and meteorological conditions.

This results in a dynamically personalised mobility experience. Furthermore, AI-driven safety architectures are transitioning from reactive systems to predictive frameworks. These systems continuously analyse environmental data streams, anticipate potential hazards, and autonomously adjust vehicle parameters or issue pre-emptive alerts—substantially enhancing rider safety and system resilience.

Making Vehicles Intuitive and Interactive

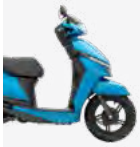
TVSM is actively exploring Augmented Reality (AR) as a next-generation interface to enhance rider-vehicle interaction. Conceptual developments include AR-enabled head-up displays (HUDs) integrated into the vehicle windscreen, capable of projecting real-time navigational overlays, blind spot alerts, dynamic range estimations, and charging infrastructure availability. These systems utilise spatial computing and sensor fusion to deliver context-aware visual guidance, transforming the rider's situational awareness. For electric vehicle users, AR facilitates intuitive diagnostics, predictive maintenance cues, and interactive system feedback—ushering in a paradigm shift in user experience and operational transparency.

Innovating for Smarter Rides

In this evolving ecosystem, vehicles are becoming software-first machines — a digital symphony where algorithms orchestrate every ride. TVSM vehicles are envisioned to work as modern, intelligent co-pilots — learning riding patterns, gamifying efficiency, and seamlessly integrating with handheld devices for smarter ride management.

TVSM continues to lead in innovative features across its product lines — from digital consoles and ride modes to mobile connectivity and smart safety integrations — offering value far beyond just mobility.

Product Interventions in FY 2024-25

PRODUCT		INNOVATION
	TVS Apache RR 310	• Bi-directional Quickshifter • Cruise control • Enhanced connectivity and aerodynamic winglets
	TVS NTORQ Base and Race XP	• Dual ride modes • Comprehensive SmartXConnect functionalities, including Voice Assist
	**The New TVS Jupiter**	• Infinity lamps • Longest seat in segment • Two helmet storage • Heavy braking flash lamp
	TVS Apache RTR 160 2V Refresh	• Smartxconnect • Turn-by-turn navigation • Voice Assist • GTT (Glide-Thru-Technology) • LED lamps
	TVS Raider IGO Assist	• ISG (Integrated Starter Generator) technology • ISS (Idle Stop-Start) system
	TVS King EV Max	• 179km range on one charge • SmartXConnect • Real-time navigation, alerts and vehicle diagnostics • 500 mm water-wading capability • Best-in-class gradeability, top speed and acceleration

Intelligent Manufacturing to Drive Efficiency and Improve Quality

TVS Motor Company continues to integrate advanced technologies into its manufacturing ecosystem, reinforcing its commitment to intelligent, agile, and future-ready production. From deploying collaborative robots and autonomous mobile robots (AMRs) to drive precision and efficiency, to enabling predictive maintenance through FFT-based vibration analytics, the Company is redefining modern manufacturing. Innovations such as SLA-based 3D printing for rapid prototyping, full digital traceability across the value chain, and a zero-LTI safety framework have further elevated operational excellence. Complementing these strides are global benchmarking efforts and strategic collaborations with leading research institutions and startups to co-create next-generation solutions.

Manufacturing Innovations in FY 2024-25

COLLABORATIVE ROBOTS (COBOTS)

IMPROVEMENT

Cobots deployed in assembly and inspection areas have enhanced precision, ensured ergonomic work conditions.

AUTONOMOUS MOBILE ROBOTS (AMRS)

IMPROVEMENT

Smart intralogistics using AMRs has optimised material movement, reduced human effort, and ensured real-time visibility of inventory and flow across production lines.

PREDICTIVE MAINTENANCE

IMPROVEMENT

Fast Fourier Transform (FFT)-based vibration analysis is enabling predictive maintenance of compressors by detecting anomalies early and preventing costly breakdowns.

ADDITIVE MANUFACTURING

IMPROVEMENT

Stereolithography (SLA) 3D printing has enabled rapid prototyping and reduced tooling lead time.

PROCESS GENEALOGY – TRACK AND TRACE

IMPROVEMENT

Digital traceability for full visibility into component history, process parameters, and quality compliance across value chain.

ZERO-LTI SAFETY & COMPLIANCE ECOSYSTEM

IMPROVEMENT

Digital contractor safety systems, advanced fire suppression, and design-stage safety clearance processes have created a culture of safety excellence.

GLOBAL BENCHMARKING AND TECHNOLOGY PARTNERSHIPS

IMPROVEMENT

Structured benchmarking with global leaders and partnerships with academic institutions, research labs and start-ups to co-develop frontier solutions.

Environmental, Social and Governance

2,500

Villages impacted by our CSR initiatives

120,000+

Kaizens implemented in 2024-25

95.32%

Renewable power contribution to overall share of power

TVSM and Gujarat Tourism collaborated to bring a motorcycling experience to the Rann Utsav, a festival celebrating the culture and landscape of the Kutch region.

Building Resilience for Tomorrow

In today's dynamic business landscape, sustainability is central to long-term success and resilience. TVSM believes that by embedding sustainable practices into every facet of its operations, it is not only safeguarding its future but also enhancing its reputation, ensuring compliance, and driving superior financial performance.

TVSM'S SUSTAINABILITY FRAMEWORK

The Company's Sustainability Framework is a blueprint that integrates sustainability into every aspect of the business.

Sustainability Philosophy and Approach

By protecting the environment, generating social value, and upholding responsible governance, TVSM is unlocking operational efficiencies, fuelling innovation, and enhancing its brand value. The Company does not perceive sustainability merely as an ethical obligation; it is a strategic imperative for sustained growth and industry leadership.

Sustainability is integral to TVSM's vision and forms a core pillar of its long-term strategy. Its sustainability framework is deeply intertwined with its goal of shaping a greener, more inclusive future through responsible business practices, innovation, and community engagement. TVSM's commitment to shaping a better tomorrow rests on three interdependent pillars, aligned with the United Nations Sustainable Development Goals (UN SDGs):

ENVIRONMENT

TVSM's sustainability commitment centres on innovative, low-impact solutions that boost resource efficiency and advance the clean energy transition. Aligned with the 1.5°C pathway, the Company is working towards 100% renewable energy adoption while protecting Land, Air, and Water through the 4R Principle — Refuse, Reduce, Reuse, and Recycle.

Sustainable and Thriving Ecosystem

To create a Net Positive Impact by responsible consumption, efficient utilisation and conservation of resources

Material topics: Climate change and decarbonisation | Water management | Biodiversity

SDGs:

Exciting & Safe Mobility Solutions

To transform exciting mobility solutions through innovative, safe, accessible, affordable product & services

Material topics: Circular economy | Product stewardship | Market/product competition | Alternate engines of growth

SDGs:

SOCIAL

Social progress is embedded in TVSM's ethos — from empowering employees and building an inclusive workforce to uplifting communities around its plants. Guided by the belief in moving Forward. Together., the Company strengthens its social licence to operate by advancing collective growth and shared prosperity.

Responsible Social Licence to Operate

To foster a culture of safety, diversity, inclusivity, and continuous learning in order to continue being an employer of choice and reaffirm the social licence to operate

Material topics: Human capital development | Employee attraction and retention | Diversity and Inclusion | Human Rights | Occupational health and safety | Policy safety | Road safety

SDGs:

TVSM's governance framework is built on ethics, transparency, and accountability — with trust at its core, reflected in its approach of Building Trust; The TVS Way. A double materiality assessment in FY 2023–24 identified key environmental and financial issues, helping the Company manage risks and unlock opportunities across the organisation.

Embracing the Digital Future

To harness the power of digital innovation for excellent customer experience, optimise operational efficiency and be the partner of choice across the value chain

Material topics: Cybersecurity | Data protection

SDGs:

GOVERNANCE

Governance for a Sustainable Future

To build a robust foundation of ethical governance and risk management that drives safe & sustainable growth

Material topics: Corporate governance | Integrated risk management | Supply chain

SDGs:

Key Achievements of FY 2024-25

Environment

Governed by L.A.W. (Land, Air, Water)

- **Water positive milestone:** TVSM's manufacturing facilities in India received certification as 'Water Positive Facilities' by the Confederation of Indian Industry (CII)
- **Sustainability dual honour:** The above facilities were also recognised as 'Zero Waste to Landfill Facilities' by CII
- **GreenCo Gold recognition:** TVSM's Mysuru facility earned the prestigious GreenCo Gold rating, underscoring our commitment to environmental excellence
- **Certified for energy excellence:** TVSM's Hosur, Nalagrah, and Norton Motorcycles have been certified under the Energy Management System (ISO 50001:2018)
- **Honoured for Sustainability Excellence:** The Biodiversity Excellence Award conferred by the United Nations Global Compact Network and TVSM's success in multiple categories at the 4th Edition of the CII-South Region Industrial & Waste Management Competition (in Water Conservation and Efficiency, Wastewater Treatment, and Zero Waste Initiatives) reinforced the Company's sustainability leadership
- **Powering with purpose:** By sourcing approximately 95.32% of TVSM's energy requirements from renewables, the Company has avoided around 68,000 tCO_2e of emissions

Social

Forward. Together.

- **Wellness begins within:** The launch of the My Health Index programme in Hosur has been a cornerstone of TVSM's health and wellness efforts, enhancing employees' physical and mental well-being
- **Smarter safety tracking:** TVSM replaced the Plant Safety Score with a more comprehensive My Safety Index to better gauge safety performance across its facilities and offices
- **Driving safety at scale:** In FY 2024-25, TVSM rolled out a series of strategic thematic campaigns throughout the year, engaging around 70,000 participants through 716 events. A key highlight was a targeted road safety initiative, which reached the on-site employees and 31,112 members of the public through 480 dealership-led events—driving broad-based awareness and reinforcing the importance of safety across the value chain
- **Enhancing workplace resilience:** TVSM implemented 598 safety measures, including equipment upgrades and advanced fire protection systems, ensuring conformity with ISO safety standards
- **Zero accidents, maximum awareness:** With the establishment of Driver and Contractor Safety Centres at key plants, the Company achieved a record of zero accidents and markedly improved safety behaviour, compliance, and engagement among its truck drivers and contractors
- **Empowering every ability:** Inclusivity is a key marker of TVSM's social commitment, with 3% of its workforce comprising of differently abled people.
- **Change at the grassroots:** The Company's broad-based community initiatives have impacted 2,500+ villages, with their focus on women's empowerment, improved village infrastructure, water conservation, and sustainable agricultural practices

Governance

Building Trust. The TVS Way

- **MSI Sets New Benchmarks:** In FY 2024-25, TVSM introduced the My Sustainability Index (MSI) to pioneer new levels of value chain transparency and drive innovative sustainability practices; through MSI, 166 value chain partners were evaluated, enabling the Company to set industry benchmarks for environmental and social performance
- **Strengthening Social Accountability:** Adhering to the Social Accountability Standard (SA8000), TVSM audited 96 value chain partners to ensure safety compliance; the initiative facilitated the identification of approximately 100 improvement opportunities geared toward enhancing safety and health standards across the Company's supply chain
- **Sustainability Ambassadors in Action:** In FY 2024-25, TVSM launched the Sustainability Ambassador Program to foster a company-wide culture of sustainability; Level 1 awareness module reached approximately 84.5% of employees and contractual workers; around 18% advanced to Level 2, with 13 participants became certified Level 3 certified trainers

TVSM's journey in sustainability is one of continuous evolution and relentless commitment. Its commitment to environmental stewardship, social responsibility, and ethical governance lays the groundwork for future innovation and excellence.

Turning Green Goals into Measurable Gains

At TVSM, environmental sustainability is a core pillar of the Company's long-term business strategy and operational philosophy. As a responsible corporate citizen, TVSM is committed to minimising its ecological footprint, conserving natural resources, and accelerating its journey towards a circular and low-carbon economy. Its initiatives focus on sustainable water management, clean energy adoption, waste reduction, and continuous process innovation.

ENERGY MANAGEMENT AND CLIMATE ACTION

TVSM is firmly committed to achieving Net Zero emissions as a key pillar of its long-term sustainability strategy. Aligned with the commitment to limit global warming to 1.5°C above pre-industrial levels and guided by the ISO IWA 42:2022 Net Zero Guidelines, the Company has developed a scientific decarbonisation roadmap that reflects international best practices. Its approach is rooted in environmental responsibility and designed to address both direct (Scope 1) and indirect (Scope 2 and 3) emissions in a comprehensive manner.

The Company undertook an extensive Scope 3 emissions assessment last year, covering 11 out of 15 applicable categories in FY 2023-24, using a methodology combining spend-based, distance-based, and average data models. This detailed mapping ensures a precise understanding of the Company's emissions footprint and reinforces its commitment to transparency and data-driven climate action.

But emissions is only one part of the TVSM's decarbonisation roadmap. Complementing its emissions reduction efforts, is the steady transition to 100% renewable energy across all operations. The Company's energy transition strategy focuses on increasing the share of wind and green power, further supported by energy efficiency projects at the plant-level.

95.32%

of TVSM's total energy mix is derived from renewable energy sources (as of 31st March, 2025)

Progress in FY 2024-25

TVSM has taken a proactive approach to decarbonisation by increasing reliance on renewable energy and improving energy efficiency across its manufacturing footprint.

- As of 31st March 2025, 95.32% of TVSM's total energy mix was derived from renewable sources, including wind power and green energy procured through the Indian Energy Exchange

- TVSM Hosur, Nalagarh and Norton Motorcyles UK were certified under ISO 50001:2018 for their robust energy management systems

- The Company continues to drive energy efficiency through targeted projects:
  - **Compressor Heat Recovery:** By reusing heat generated from compressors in the powder coating process, TVSM saved 2.4 lakh kWh and 54,000 kg of fuel annually; the initiative led to improved overall thermal efficiency while significantly reducing GHG emissions.
  - **Conversion to EC Fans:** Replacing traditional blowers with Electronically Commutated (EC) fans in the paint shop yielded 1,000 kWh savings annually; the upgrade now ensures better airflow control and reduced maintenance requirements.
  - **Compressor Optimisation:** Dynamic load-based adjustments in compressor operations led to energy savings of 31,000 kWh per year; the optimisation has enhanced operational efficiency and lowered electrical costs and mechanical wear.
  - **Sensor-Based Lighting:** Installation of occupancy sensors in R&D offices resulted in an annual power saving of over 1.1 million kWh, enhancing workplace sustainability without compromising on functionality.

SUSTAINABLE WATER MANAGEMENT

Responsible water management is an essential part of TVSM's sustainability strategy. Given the mobility sector's high dependence on water for processes like metal fabrication, painting, and cooling, the Company adopts a proactive approach to mitigate water-related risks such as scarcity, regulatory pressures, and climate variability.

TVSM conducts detailed water assessments, including water leak audits and mass balance analyses, to identify inefficiencies and conserve water across its operations. The Company has established internal region-specific targets, overseen by the senior management, and integrates water stewardship as a material issue within its broader climate risk evaluations under the Task Force on Climate Related Financial Disclosures (TCFD) framework.

The Company ensures that its plants operate within a Zero Liquid Discharge (ZLD) framework, thereby eliminating the release of wastewater beyond plant boundaries. Its Hosur plant is a ZLD facility, exemplifying TVSM's leadership in industrial wastewater treatment. International operations follow stringent local norms, ensuring compliant wastewater treatment and discharge.

TVSM's water stewardship approach extends across its value chain, including critical suppliers and dealers, with a long-term goal of becoming water positive in all regions of operation. The Company implements basin-specific interventions to replenish water sources and reduce water intensity, supported by practices like rainwater harvesting and recycling treated water for non-potable uses such as cooling, irrigation, and Water, Sanitation, and Hygiene (WaSH).

To further embed accountability, TVSM has introduced an Internal Water Pricing (IWP) mechanism — valued at approximately ₹100.1 per kilolitre — which factors in direct and indirect water costs. This initiative incentivises efficient water use and guides investment decisions across the Company.

40-50%

Reduction in usage of raw water achieved through the deployment of advanced water technologies in FY 2024-25

Progress in FY 2024-25

- Deployed advanced water-saving technologies such as optimised process equipment and membrane filtration systems, achieving a 20%–50% reduction in raw water consumption

- Rainwater harvesting, reuse of treated water, and sewage treatment upgrades have enabled TVSM to secure Water Positive certification at all its manufacturing sites:
  - Hosur, Tamil Nadu **Water Positive Ratio: 1.21**
  - Mysuru, Karnataka **Water Positive Ratio: 1.24**
  - Nalagarh, Himachal Pradesh **Water Positive Ratio: 1.49**

These integrated efforts help TVSM conserve freshwater, reduce operational costs, and enhance water resilience across its operations.

ZERO WASTE TO LANDFILL & RESOURCE CIRCULARITY

TVSM is actively transitioning from a linear to a circular economy as part of its climate resilience strategy. With a strong focus on minimising environmental impact, the Company integrates waste reduction, resource efficiency and regulatory compliance into its manufacturing processes.

A key outcome of this commitment is a specific waste intensity of 17.21 kg per vehicle sold and Zero Waste to Landfill certification at its Hosur facility, with a 99.76% diversion rate. Advanced recycling technologies and the use of recycled materials reduce reliance on virgin resources, conserve energy, and lower emissions.

TVSM's internal frameworks, including TSMS 9765 (TVS Standard Material Specification 9765) and GRMS (Global Regulatory Monitoring System), ensure compliance with international regulations and support the phase-out of hazardous substances. The Company continues to monitor and prepare for evolving global norms.

Beyond its operations, TVSM fosters sustainability through the Waste Management Ambassador Programme and Supplier Excellence initiatives, promoting awareness and responsible practices across its value chain. With 84% of materials sourced locally, TVSM enhances supply chain resilience while supporting national self-reliance goals.

3

Manufacturing facilities certified as Zero Waste to Landfill (ZWL) in FY 2024-25 by CII

Progress in FY 2024-25

The Company aims to make all its operations Zero Waste to Landfill (ZWL) and has taken significant steps towards this goal:

- In FY 2024-25, three manufacturing facilities in India were certified as Zero Waste to Landfill by the Confederation of Indian Industry (CII)

- Hazardous waste is co-processed or sent to authorised recyclers, ensuring safe disposal and resource recovery

- 100% of non-hazardous waste is recycled, and food waste is composted and used as manure, advancing zero-waste-to-landfill and circular economy goals

- Investments in bio-sludge dewatering, fine screening, and sustainable chemical substitution have strengthened TVSM's ability to repurpose waste while reducing environmental risks

TVSM continues to phase out hazardous substances through process redesign, material substitution, and closed-loop systems that emphasise eco-friendly alternatives and safe disposal.

BIODIVERSITY COMMITMENT

TVSM integrates biodiversity conservation into its climate resilience and sustainability strategy, recognising the critical link between healthy ecosystems and long-term business viability. Guided by a robust Biodiversity Impact and Risk Assessment (BIA) framework, the Company evaluates and mitigates potential environmental impacts across its operations and value chain.

Though its facilities are located in designated industrial areas, TVSM proactively applies a mitigation hierarchy, ensuring its actions support local biodiversity and avoid ecological harm. It has committed to achieving a net positive impact on biodiversity by 2040, with no net loss of natural ecosystems. The Company is also aligned to global frameworks such as the Kunming-Montreal Protocol and Indian Business and Biodiversity Initiative (IBBI).

TVSM uses both qualitative and quantitative tools, including BIA's GaBi Life Cycle Analysis (LCA) modelling, to identify material biodiversity hotspots and formulate targeted mitigation strategies. It also plans to measure the carbon sequestration potential of its afforestation efforts, further linking biodiversity gains with climate action.

Biodiversity is treated as a shared responsibility, with efforts extending to suppliers, communities, and employees. Through conservation partnerships, training, and environmental education, TVSM fosters a culture of stewardship, reinforcing its commitment to nature-positive growth and the UN Sustainable Development Goals.

Progress in FY 2024-25

- **Recognition as a Conservation Site:** The Hosur facility has been identified as a potential OECM (Other Effective Area-based Conservation Measure) by the United Nations Development Programme (UNDP) and the Biodiversity Authority of India, acknowledging its contribution to biodiversity preservation outside protected areas

- **Extensive Green Cover:** 42% of land across TVSM's three Indian sites are now covered by human-grown forests, fostering a thriving ecosystem that supports over 900 species of flora and fauna

- **Commitment to Nature-positive Growth:** In alignment with global biodiversity goals, TVS Motor reaffirmed its dedication to coexisting with nature and promoting a sustainable future, marking its progress on the International Day for Biological Diversity

43%

of TVSM plants in India are now covered by human-grown forests, supporting approximately 1,000 species of plant and animal life

SUSTAINABILITY IN ACTION

Key Initiatives and Impact

INITIATIVE	SUMMARY	OUTCOME
Heat Recovery	Reused compressor waste heat for powder coating at Hosur	Saved 2.4 lakh units/year electricity and 54,000 kg/ year fuel
Reusable Hydration Solutions	Replaced single-use plastic with reusable bottles	Eliminated plastic waste; distributed 750 bottles/day
Sewage Treatment Upgrade	Installed 400 KLD STP at Mysuru	Improved water reuse quality and reduced cost
Screw Press Dewatering	Bio-sludge dewatering system installation	Reduced sludge volume and enabled composting
EC Fans in Paint Shop	Replaced conventional blowers with energy-efficient fans	Saved 1,000 kWh/year
Compressor Optimisation	Dynamic load-based pressure adjustments	Saved 31,000 kWh/year
Heat Pump Integration	Heat pump for pretreatment at Hosur	Saved 410 kg/year of propane
Occupancy Sensors	Installed in R&D offices	Reduced power use by over 1.1 million kWh/year

TVSM remains steadfast in its mission to drive positive environmental outcomes through innovation, collaboration, and accountability. As its scales its sustainability efforts, the Company will continue to align with global best practices and the United Nations Sustainable Development Goals (SDGs) ensuring that environmental stewardship remains integral to its growth journey.

Innovation Excellence Driven by Our People

Rooted in a legacy of precision engineering and performance, TVSM fosters a work culture where safety, inclusivity, and continuous learning are prioritised. By nurturing talent and prioritising employee well-being, TVSM aspires to be an employer of choice and a benchmark in sustainable business practices.

TVSM's people philosophy is anchored in building a high-trust, inclusive, and performance-oriented workplace. The Company's sustained efforts to cultivate a positive and empowering work environment earned it the 'Great Place to Work' certification once again in FY 2024-25, along with the 'Inclusive Workplace Excellence Award' from CII. Its flexible work policies, robust learning ecosystem, and transparent communication practices continue to reinforce its reputation as an 'Employer of Choice' —a critical differentiator as the Company expands across geographies.

TVSM has been certified as a 'Great Place to Work in Manufacturing – Top 50' by GPTW

7,100

Total number of permanent employees globally

18%

Women in leadership roles

Diversity and Inclusion

TVSM has always prioritised workplace diversity and has been recognised as the 'Best Company for Women in India' for the last five consecutive years — a reflection of its deep-rooted commitment to equity and representation. It has also received the prestigious Helen Keller Award for its commitment to creating equal opportunities for Persons with Disabilities (PwD).

At its core, TVSM is committed to building an inclusive and equitable workplace where diverse talent can thrive. The Company recognises that innovation and operational excellence are driven by varied perspectives and hence a merit-based approach to hiring and advancement is in force to ensure equal opportunities for all employees.

Women currently represent 17% of the blue-collar workforce and 13% of the white-collar workforce, while Persons with Disabilities (PwDs) comprise 3% of the total employee base. These reflect TVSM's growing efforts to foster gender and ability inclusion across all levels and locations.

To further enhance gender diversity, TVSM has rolled out several leadership-driven initiatives. These include on-campus childcare facilities, industry-leading maternity and paternity policies, extended medical coverage for parents and in-laws, and structured support for expectant and nursing mothers. A hybrid working model, flexible hours, menstrual leave policy, and compliance with Prevention of Sexual Harassment at the Workplace (POSH) directives — supplemented by regular sensitisation programmes — contribute to a work environment where women feel safe, supported, and empowered.

TVSM also conducts annual gender pay parity assessments to ensure fair compensation practices and proactively address any disparities. Dedicated mentorship and leadership development programmes are in place to support women into advancing into influential roles across functions.

17%
Share of women in the workforce

3%
Share of PwDs in the workforce

Among the 'Best Companies for Women'

Reaffirmed ranking for the 5th consecutive time

CASE STUDY

SPURRING A QUIET SOCIAL REVOLUTION IN TANZANIA

A quiet revolution that redefines gender roles in the automotive industry, is underway in East Africa. TVSM, in partnership with its Kenya distributor Car & General (C&G), is facilitating a proverbial shattering of the glass ceiling as women are breaking into traditionally male-dominated roles.

In 2023, C&G, backed by TVS's inclusive vision, took the bold step of training and employing women in their two-wheeler assembly line in Tanzania. As expected, there was initial resistance from families. The prevalent societal norms were not conducive. But the initiative received support from institutions like Don Bosco and thus began the process of skilling the women — many of whom were former farm workers or vendors. Today, these women confidently handle tasks from assembly to dynamometer testing, sometimes putting together as many as 100 motorcycles a day.

Encouraged by this success, C&G has also hired physically challenged women to drive TVS three-wheelers, inspiring others to follow. Interestingly, many of these women proudly say they "work for TVS" rather than C&G — a testament to the deep trust and identity they have formed with the TVS brand.

What began as a social experiment is now setting the stage for a broader cultural shift. With TVSM's support, C&G is scaling this inclusive model across Kenya and Tanzania, paving the road for more women to drive change, quite literally, in Africa's mobility revolution.

Talent Acquisition

TVSM's talent acquisition strategy focuses on building strong pipelines through targeted campus and off-campus recruitment. In FY 2024-25, the Company resumed its on-ground hiring drives at leading institutions, engaging top talent from Masters, Post Graduate Engineer (PGE), and Graduate Engineer (GE) programmes during Day 0 and Day 1 visits. A total of 188 project trainees were onboarded through the Integrated Internship Program (IIP), with a 70% conversion goal, reaffirming the value placed on internships as a sourcing channel. Strategic partnerships with TATA Indian Institute of Skills (TATA IIS), Bajaj Engineering Skill Training (BEST), and BAJA Society of Automotive Engineers India (BAJA SAEINDIA) further strengthened off-campus recruitment efforts.

To deepen engagement, TVSM has introduced a mix of pre- and post-recruitment activities, such as case competitions, alumni connect, sponsorships, and live projects. Regular follow-ups, project support, Women's Day events, and role-readiness programmes help ensure smooth transitions for new joiners. The entire hiring process is now digital, reflecting the Company's 'No Paper, No Space' ethos, with continuous feedback loops used to refine hiring outcomes.

188

Project trainees onboarded in FY 2024-25 with 70% conversion rate

Leadership and Capability Building

TVSM's focus on leadership and capability building has earned industry recognition, including the Gold Award for 'Excellence in Organisation Development' and 'Best HR Practices' at The Economic Times Human Capital Awards 2025. The Company fosters a purpose-driven, agile, and future-ready workforce by embedding core values and leadership competencies through a structured five-phased approach — Initiation, Socialisation, Familiarisation, Adoption, and Institutionalisation — ensuring every employee internalises its culture from the outset.

Supporting this approach, TVSM offers dynamic learning opportunities through VR, AR, IoT-enabled modules, and structured platforms. Leadership development programmes, in-house training, and global partnerships are enhanced with job rotations, mentoring, and digital platforms like 'Pathways'. The upgraded Learning Management System (LMS), integrated with HRIS and LinkedIn Learning, further boosts engagement through gamification and peer collaboration.

New Leadership Programmes in FY 2024-25

TVSM is committed to building a strong leadership pipeline through focused capability development at all levels. Programmes like the Emerging Leaders' Programs (ELP1 and ELP2) with Indian School of Business (ISB) and Indian Institute of Management Ahmedabad, and the Leadership Plus Program (LPP), are designed to equip high-potential talent with the skills to take on larger responsibilities. The flagship TVS Global Programme for Management Development (GPMD), launched with Michigan Ross University in 2024, empowers senior executives with global leadership insights and core business acumen, strengthening TVS Motor's high-performance culture and preparing leaders to drive future growth.

200

Employees benefitted from the leadership programmes in FY 2024-25

100%

Identified talent included in leadership development

2.9%

Maintaining a low HiPo attrition rate

Training Leaders for Tomorrow

The Institute of Quality & Leadership (IQL) has been central to TVS Motor's learning and development since 1987, fostering a culture of excellence, innovation, and sustainability. Recognised with the 'Performance Level' certification by the Global Council of Corporate Universities, IQL plays a crucial role in building a future-ready workforce by embedding leadership competencies, strategic execution, and TVS values across the organisation.

IQL's four specialised academies focus on functional excellence, manufacturing, product development, and pedagogical skills, while initiatives like CFT and SAP Design workshops integrate sustainability and global standards. IQL also drives cultural and collective capabilities by hosting national and global conferences on Operations Research (OR) and Taguchi Methods, further enhancing problem-solving and process improvement.

Through immersive learning experiences, global collaborations, job rotations, and digital platforms like Pathways, IQL equips employees with critical skills in AI, data analytics, and future mobility. With an average of 14+ training hours per employee annually, IQL continues to nurture leadership, foster innovation, and advance sustainable practices at TVS Motor.

Health & Safety

TVSM fosters a safety-first culture across its plants, driven by active involvement from business leaders and employee unions. At the operational level, senior managers and union representatives work collaboratively to translate safety policies into actionable programmes, ensuring shared accountability and employee engagement. A strong governance structure — led by the CEO and Safety Apex Committee — ensures monthly reviews of safety performance at each plant.

In FY 2024-25, the Company transitioned to the predictive 'My Safety Index' (MSI), achieving an 81% score across global locations. It also introduced progressive measures such as the Driver Management Centre, Contractor Safety Management Centres, and a Consequences Management Policy.

All Indian plants and the Norton facility in the UK are ISO 45001:2018 certified, while the Indonesia plant holds SMK-3 gold-level certification. Rigorous Hazard Identification and Risk Assessment (HIRA) processes are conducted across locations, reinforcing a culture of prevention and continuous improvement in safety performance.

>200

Campaigns in Health, Safety and Environment (HSE) in FY 2024-25

356

Road Safety events organised in FY 2024-25

81%

My Safety Index score across global locations

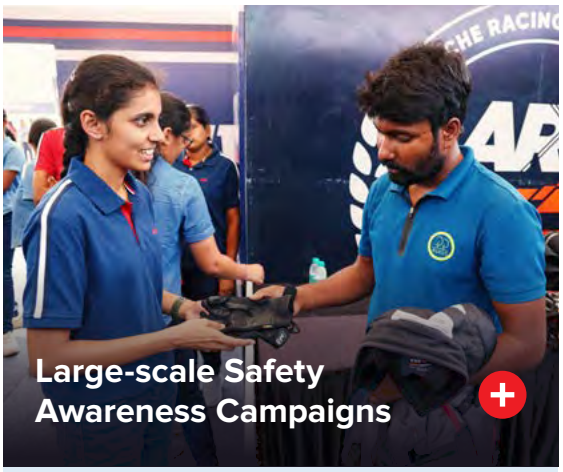
KEY DEVELOPMENTS IN HEALTH & SAFETY (H&S) IN FY 2024-25

Comprehensive Health & Wellness Initiatives

- Rolled out physical and mental wellness programmes across all plant locations; extended healthcare support to communities in the vicinity of manufacturing facilities

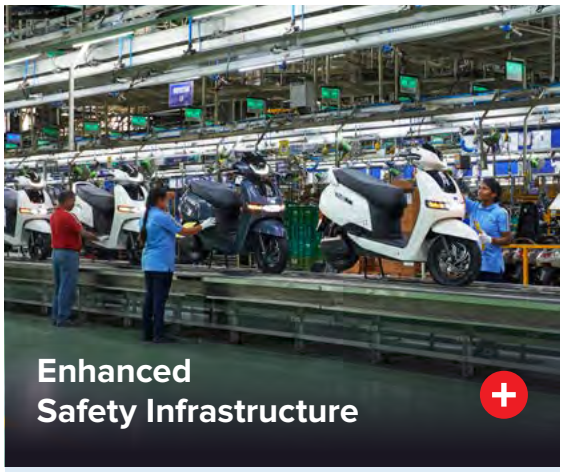
Advanced Safety Performance Index

- Transitioned from the Plant Safety Score to the more sophisticated My Safety Index (MSI), a predictive safety performance indicator
- Achieved an MSI score of 81% post-calibration across Hosur, Mysore, Nalagarh, PT TVS Indonesia, and Norton UK



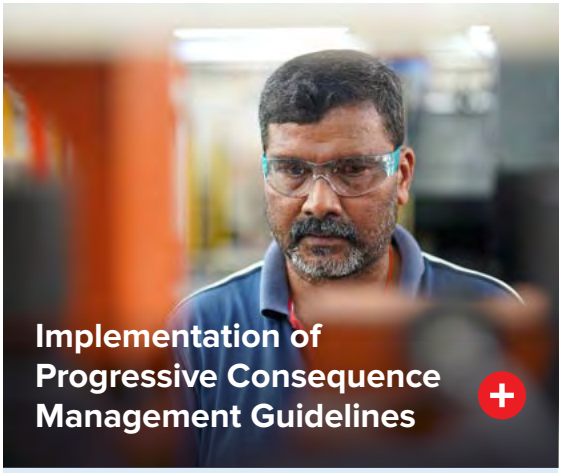
Large-scale Safety Awareness Campaigns

- Conducted 716 health, safety, and environmental events with ~70,000 participants
- Organised 356 in-plant Road Safety events with nearly 100% employee participation
- Hosted 480 Road Safety awareness events at dealerships, reaching 31,112 public and road users.



Enhanced Safety Infrastructure

- Launched Driver Management Centre (DMC) at Hosur to improve road transport safety
- Operationalised Contractor Safety Management Centres (CMC) at Hosur, Mysore, and Nalagarh plants to strengthen contractor safety protocols



Implementation of Progressive Consequence Management Guidelines

- Introduced a structured policy to drive progressive safety improvements through continuous monitoring and accountability

Supply Chain Safety through SA8000 Compliance

- Audited 96 value chain partners on health and safety parameters
- Supported partners in implementing approximately 100 safety improvements, reinforcing safety standards across the extended value chain

Employee Well-being

TVSM places a strong emphasis on the physical and mental well-being of its workforce. Various health and wellness programmes are implemented across all plant locations, including regular health checks for all categories of employees, including those from service providers. In FY 2024-25, the Company introduced the 'My Health Index' (MHI), a comprehensive initiative tracking employee well-being across five dimensions — emotional, physical, lifestyle, organisational, and team health. This data-driven approach enables the Company to provide timely, targeted support across locations.

TVS Motor supports employee mental well-being through YourDOST, a confidential counselling platform that helps address stress, anxiety, and personal challenges. Complementing this is PROMOTE, a collaboration with NIMHANS featuring AGAM, an in-house clinic offering specialised counselling and training. Together, these initiatives foster a culture of care and resilience.

Beyond employee-focused initiatives, the Company extends healthcare benefits to employee families and surrounding communities. This includes comprehensive annual health checks, community outreach programmes, and best-in-class insurance benefits such as family floater policies and extended medical coverage for parents and in-laws.

3,250

Employees undertook YourDOST programme in FY 2024-25

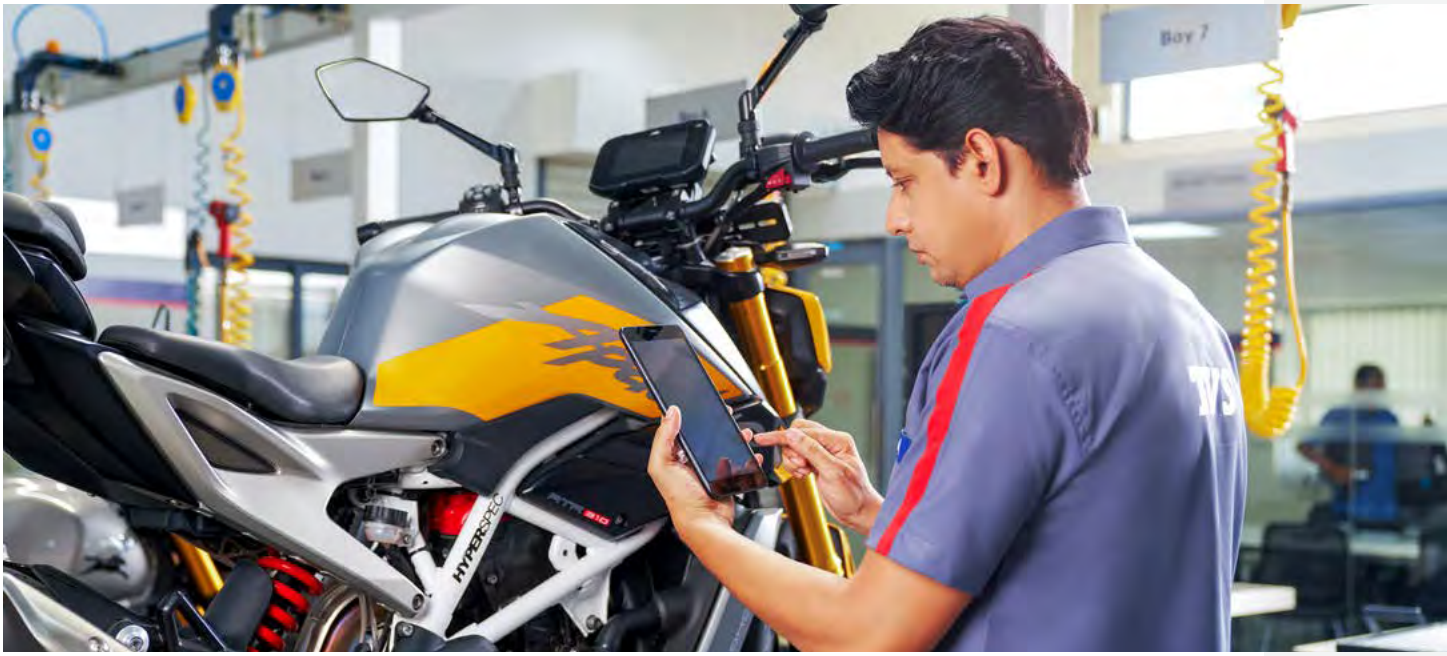
Enhancing Customer Satisfaction through Innovation and Care

TVSM's approach to customer satisfaction is rooted in understanding consumer needs and delivering consistently high standards of service. Customer satisfaction is the cornerstone of every decision, guiding the design and delivery of both products and services. Every interaction with the customer is seen as an opportunity to build trust and in FY 2024-25, several targeted initiatives were launched across geographies to enhance customer experience and build trust.

The Company monitors customer satisfaction through structured real time feedback. Surveys, dealer feedback, and touchpoint interactions — such as N30 PSF calls — help the Company stay attuned to customer sentiments and expectations. The Company also upholds responsible marketing and product use, engaging with customers across their journey — from service reminders and safety education to direct support via call centres and roadside assistance.

Initiatives like MotoSoul and AOG deepen the emotional connect with rider communities, while clear and honest advertising, aligned with Advertising Standards Council of India (ASCI) regulations, ensures brand integrity.

TVSM's focus on innovation extends to both product development and customer services. The ongoing New Product Introduction (NPI) digitalisation programme has enabled faster go-to-market capabilities, incorporating AI-enabled product features, live commerce, and intelligent decision-support tools. Simultaneously, data privacy and customer consent protocols ensure ethical handling of information.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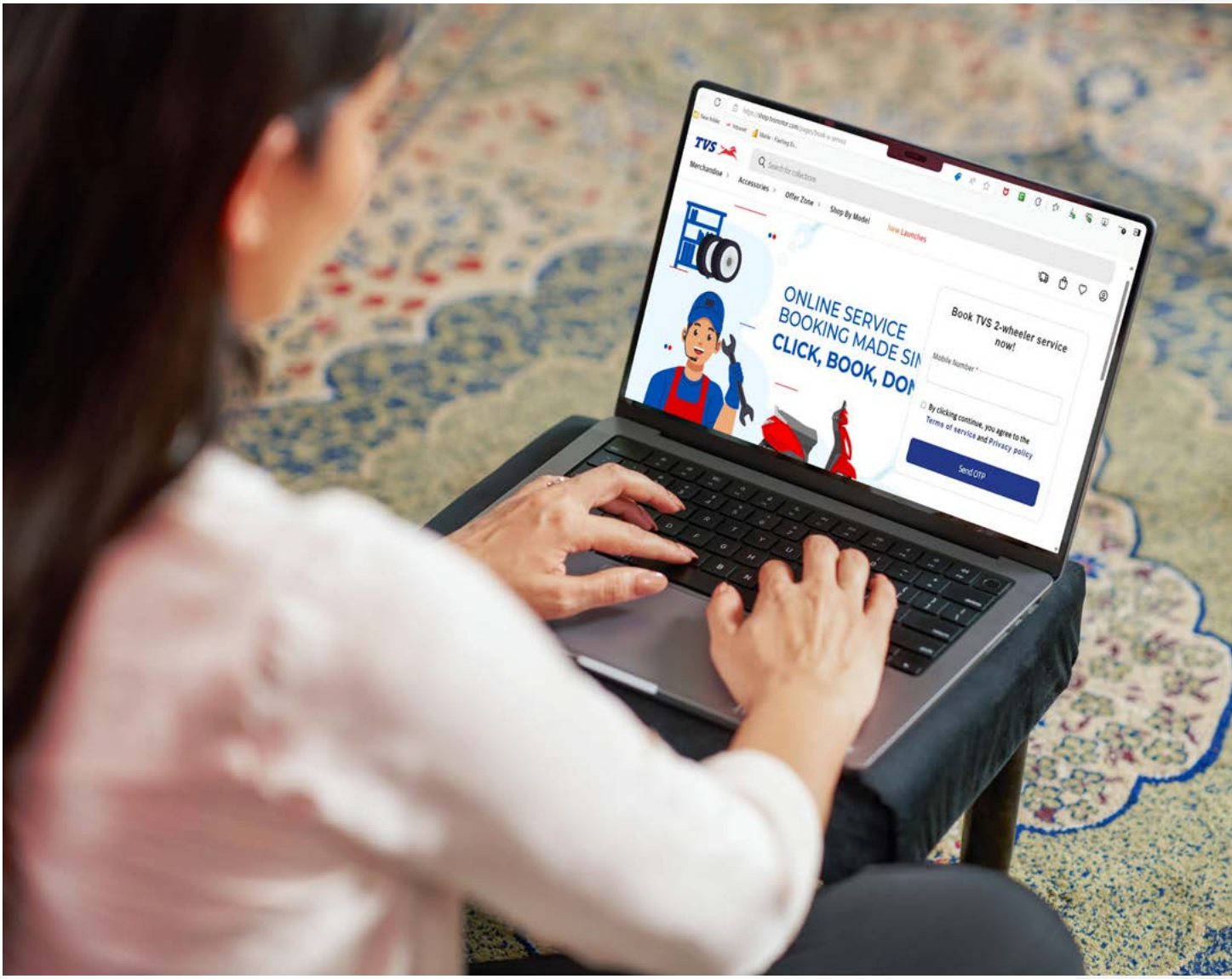
HYPERSPEED


TVS
Merchandise
Accessories
Offer Zone
Shop By Model
New Launches
ONLINE SERVICE
BOOKING MADE SIM
CLICK, BOOK, DO
Book TVS 2-wheeler service now!
Mobile Number *
By clicking continue, you agree to the Terms of service and Privacy policy
Send OTP

Responsible Supply Chain Engagement

TVSM's sustainability vision extends across the entire value chain, encompassing suppliers, dealers, distributors, and partners. Aligned with its climate adaptation and resilience framework, the Company is committed to building responsible and future-ready supply chain networks that reflect its values of environmental stewardship, ethical governance, and social responsibility.

The Company has institutionalised a Sustainable Supplier Code of Conduct, setting clear expectations around environmental compliance, human rights, and ethical sourcing. Suppliers are rigorously screened based on their business relevance, ESG risks and spend volume.

TVS Motor's approach includes strategic sourcing of materials that meet stringent quality standards while aligning with its sustainability goals. The Company prioritises suppliers who adopt eco-friendly practices and ensures transparent, fair, and collaborative relationships through open communication and equitable terms of engagement.

The Supplier Excellence Group plays a vital role in strengthening supplier capabilities, focusing on innovation, quality assurance, cost efficiency, and sustainability. Regular training sessions, performance audits, and joint development projects enable continuous improvement and alignment with global standards. The Company also helps suppliers adopt cutting-edge technologies, including the use of visual AI in logistics, enhancing efficiency and reducing operational errors.

The Company's India operations have further reinforced responsible sourcing by aligning with global best practices, including conflict-free material procurement standards akin to those followed by BMW Motorrad. Its partnership with SEDEX through Norton Motorcycles in the UK also helps enhance transparency and supplier accountability.

The Company follows a Total Quality Management (TQM) approach across its value chain. This means embedding lean practices and advanced digital tools at dealerships to improve supplier maturity through the TVSM Production System. Dealers operate on a cash-and-carry model, ensuring stock freshness and profitability, while regular change management workshops and the Dealer TQM cluster approach promote execution excellence and customer-centricity.

96

Suppliers audited on H&S parameters in FY 2024-25

480

Dealer events held in FY 2024-25

Creating Value through Social Partnerships

TVSM is committed to promoting enduring relationships with communities, partners, and customers. Its holistic CSR initiatives are spearheaded by the Srinivasan Services Trust (SST), which has been driving meaningful change in rural India. Working in 2,500 villages across the country, SST champions sustainable development through its distinctive approach of Total Community Involvement (TCI).

The Srinivasan Services Trust (SST) encourages rural communities in India to adopt practices that help them improve their quality of life through a participatory approach – from planning to execution. Its key focus areas include empowering women and children, conserving water, improving health and education facilities by renovating public infrastructure, and preserving the environment.

CSR OUTCOMES

2,500
Villages reached

900+
Schools renovated

500+
Water bodies/structures desilted, constructed or repaired

16 Lakh
People benefitted

5,000+
SHGs formed

60,000+
Women enrolled in SHGs

980+
Anganwadis renovated

375+
Community structures renovated

130+
Health centres renovated

10+ Lakh
Trees planted

160 Cr litres
Water capacity enhanced

₹125+ Cr
Annual income generated by women

Enabling Women to Rise, Lead and Inspire

SST facilitated the formation of Self-help Groups (SHGs) and capacity building to ensure that women at the grassroots, often tied down by household work, are empowered to contribute to the society, leading to generational change.

CASE STUDY

A JOURNEY TOWARDS SELF-RELIANCE

For Rajeshwari from Karunanidhi Nagar in Tamil Nadu's Srivaikundam, life was once defined by separation and struggle. With her husband working in a restaurant in Kerala, the family lived apart for years. Rajeshwari herself took to stitching clothes to make ends meet.

Things began to change after Rajeshwari joined the Muppidathi Amman Women Self-Help Group (SHG) over a decade ago. Formed with 20 women and modest monthly savings of just ₹100 each, the group slowly transformed with sustained guidance from the Srinivasan Services Trust. Over time, they collectively accessed and repaid loans worth ₹50 lakh, a testament to their financial discipline.

In 2020, Rajeshwari took a leap of faith with her first significant loan. Alongside her husband, she began with a small snack pushcart near the Srivaikundam Kallapiran Temple. Initial earnings were meagre — around ₹100 a day — but their perseverance and quality service have led to their income increase several times, with monthly earnings now exceeding ₹30,000 (as of November 2024).

But the greatest reward for Rajeshwari has been the reunion with her husband and the ability to secure her children's education, save for her daughter's marriage, and reinvest in their growing enterprise. "SST has uplifted and empowered our family, and we hope that someday we too are able to give back to society and help our community to grow and prosper," says Rajeshwari.

Driving Rural Prosperity through Agriculture and Animal Care

SST regularly provides farmers with technical knowledge to encourage them to adopt modern farming practices with an aim to increase yield and productivity while reducing costs. Access to veterinary services is also ensured through regular camps in the villages based on specific needs. Renovation of veterinary centres are also ensured in order to provide access to animal healthcare. SST has partnered with Shreeja Mahila Milk Producer Company Limited to ensure better quality of milk and fair milk price to thousands of farmers in the rural areas of Hosur.

CASE STUDY

DELIVERED FROM DEBT AND PENURY

A decade ago, N. Subramaniam from Yathaluru village, Andhra Pradesh, faced the heartbreaking prospect of selling his 13-acre land to clear mounting debts. Struggling with low paddy yields and repeated borrowing, he was trapped in a vicious cycle till an awareness camp by SST changed his fortunes.

Guided by SST, Subramaniam diversified into vegetable and fruit farming and embraced organic methods. Getting access to government subsidies and bank loans, and being able to set up drip irrigation in his field, he began to see significant profits in two years.

Today, he earns ₹8-10 lakh annually from farming, and around ₹5,000-7,000 a month from a poultry venture. He was also recognised as the 'Best Farmer' by YSR Horticulture University.

"For me, however, my biggest success is that my elder son now works beside me on my farm," says Subramaniam proudly. For him, farming is no longer a losing proposition.

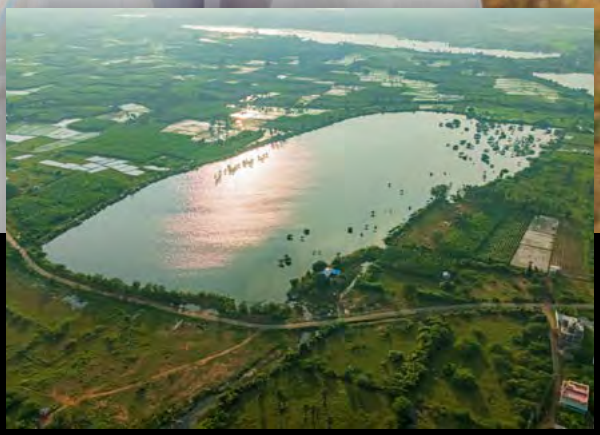
Partnering Communities to Conserve Water

This has been an area of constant focus for SST for the last many years and in FY 2024-25, the Company carried out need-based and scientific water conservation efforts to ensure the availability of water in the villages. Desilting of water tanks and irrigation channels, repairs of sluice and weirs, construction of check dams are among the many water conservation efforts undertaken by SST along with the community.

CASE STUDY

REVIVING A LIFELINE

The Vettaikarankulam Tank in Tamil Nadu's Tirunelveli district was once a vital source of irrigation, nourishing 102 acres of farmland and recharging groundwater for the surrounding villages. But by 2019, its shallow depth and deteriorating infrastructure had made it almost defunct. The bund was dangerously narrow — barely wide enough for one person to walk — making it unsafe and prone to erosion. The ayacut area downstream was deep and uneven, severely hampering farmers' ability to transport harvested crops like banana and paddy. With no proper access path, moving produce to the roadside or market meant greater time, labour, and cost.



Recognising the urgency, Srinivasan Services Trust (SST), undertook a comprehensive restoration project. In collaboration with the government authorities, 7,315 cubic metres of silt were removed and reused to strengthen and widen the bund. With a modest investment of ₹6.37 lakh, the project significantly enhanced the tank's storage capacity and safety.

The results were transformative. With the rejuvenated tank, irrigation improved for 58 direct and 270 indirect farmers, groundwater levels rose by 2 feet, and over 50 borewells were recharged. The widened bunds now enable safe access and easier transport of farm produce. SST's intervention revived both the tank and the livelihoods of an entire farming community.

Bridging Gaps in Rural Healthcare

SST is committed to ensuring the community has better access to healthcare and improved quality of services through renovation of rural health centres, broadening the scope by expanding reach through mobile medical vans to the rural poor, and generating awareness about diseases and nutrition.

CASE STUDY

REGAINING THE THIRST FOR LIFE

Sundari, a farm labourer from Perumalkulam village in Tamil Nadu, first realised something was wrong when her hands went numb and even hot oil did not hurt her. Later, she was diagnosed with leprosy at the Government Primary Health Centre in Salaipudur. Though treatment at the Peikulam Leprosy Hospital halted the disease, it left her with permanent nerve damage and a deep sense of shame and isolation.

That is when SST stepped in supporting her in obtaining essential documents like her Aadhar card and a differently-abled ID, enabling her to receive a monthly government stipend of ₹2,000. It helped rebuild her life with dignity.

“Thanks to SST, I’ve learned that the only way is forward — no matter what setbacks you suffer,” says Sundari with quiet determination.

Building Bright Futures through Education and Awareness

The Company, through SST, has worked towards renovating government school infrastructure with active community participation, aiming to create a more conducive learning environment for children. It has partnered with organisations such as Agastya International Foundation and Villmart Education to enhance the quality of primary education, while also working with Navsahyog Foundation to help children in rural areas develop essential life skills. In addition, it has collaborated with Gramalaya to promote better sanitation in schools and villages, focusing on building awareness among school children on the importance of using toilets both at school and at home.

CASE STUDY

CREATING A SAFE SPACE FOR CHILDREN

In Nadusalai Pudur village, Tamil Nadu, local farmers and labourers faced a daily struggle — finding a safe place to leave their children while they went to work.
The village's only anganwadi was in a dilapidated state and no longer usable.

That was when SST stepped in to support the community. The centre was fully renovated, with clean drinking water, toilets, secure fencing, mosquito nets, and colourful wall art — transforming it into a vibrant, safe space for 26 children, with enrolment steadily rising.

This effort is part of SST's broader initiative to help rural communities renovate public infrastructure such as

schools and anganwadis to ensure children have better classrooms and toilets. The lack of these often result in children dropping out of school, particularly adolescent girls for whom the lack of hygienic toilets discourage attendance. Mothers and pregnant women can also avail services from clean and safe anganwadis.
By creating child-friendly classrooms and hygienic toilets, these interventions are removing key deterrents to education and supporting women's access to health services.

"This isn't just about fixing a building — it's about uplifting an entire community," says anganwadi worker, Bala Francy.

Caring for the Environment, Together

Besides water conservation, afforestation remains a key focus for SST in preserving local flora and fauna. Over the past three decades, SST has worked with rural communities to restore the environment through tree planting, biodiversity conservation, and awareness efforts. So far, 10 lakh trees have been planted in villages, and over 14,000 acres of barren hillocks have been greened with 60 lakh trees and diverse plant species. In the last two years, SST has held over 800 awareness camps on afforestation, rainwater harvesting, and sparrow care — fostering eco-responsibility among youth, schools, and rural communities.

CASE STUDY

RETURN OF A SYMBOL OF HOPE AND HARMONY

A few years ago, the familiar morning chorus of sparrows began to fade from village soundscapes. Once abundant across rooftops, trees, and fields, these tiny birds – victims of habitat loss and changing landscapes as a result – were quietly disappearing.

Determined to reverse this, Srinivasan Services Trust (SST) launched a sparrow conservation initiative aimed at restoring habitats and reconnecting communities with nature. The project focused on installing nest boxes to provide safe shelter to the birds and raising awareness among the village community through campaigns to

generate empathy. Over the past two years, the movement has touched 350 villages across India, supported by more than 200 awareness camps each year. Sparrow Day, celebrated annually on March 20, has become a joyful event involving school children, Self Help Groups (SHGs), and local residents.

The results are heartening. Slowly but surely, the sparrows have returned — their chirping once again greeting the dawn. More than a conservation win, the project has become a symbol of environmental stewardship and community pride. By protecting the humble sparrow, these villages are strengthening their own resilience and the ecological balance.

Integrity at the Core of Every Decision

At TVSM, governance is viewed as a strategic enabler of long-term value. The Company has institutionalised forward-looking oversight across environmental, social, and business risks. Backed by structured systems and specialised committees, its governance framework ensures clarity, accountability, and responsiveness at every level.

The Board at TVSM

TVSM's Board of Directors, chaired by Prof. Sir Ralf Dieter Speth, is composed of distinguished professionals with diverse global experience across sectors and disciplines. This well-rounded Board reflects a strong commitment to diversity in background, expertise, nationality, age, and gender—bringing together strategic insight, governance depth, and a global perspective essential for steering the Company through a dynamic business landscape.

The Board's collective competencies span leadership, automotive industry knowledge, finance, risk management, regulatory affairs, and sustainability. It plays a critical role in shaping strategy, overseeing performance, and safeguarding stakeholder interests. Board effectiveness is ensured through adherence to regulatory norms, regular evaluations by the Nomination and Remuneration Committee (NRC), and clearly defined expectations around participation, strategic input, and ethical governance.

Independent Directors, identified through a robust NRC-led process, uphold the highest standards of integrity and actively contribute to policy decisions and corporate oversight. Regular performance assessments and capped directorships ensure members are fully engaged and aligned with the Company's long-term goals.

Board Committees

TVSM's Board committees are structured to provide focused oversight and expert guidance on key aspects of governance. These specialised forums enable Directors to address complex issues in areas such as finance, risk, stakeholder engagement, and sustainability, and offer informed recommendations to the Board. Each committee is composed of members with relevant expertise, ensuring decisions are well-grounded and aligned with the Company's strategic goals.

In addition to statutory committees, a non-mandatory Administrative Committee handles other pertinent matters. This comprehensive committee structure enhances the Board's effectiveness, ensuring robust, transparent, and responsive governance across the organisation.

Committees of the Board

- Audit Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

Board Evaluation

The Nomination and Remuneration Committee (NRC) has established a peer evaluation process to assess the performance of individual Directors, Board Committees, the Chairman, and the Board as a whole. Directors are evaluated on parameters such as commitment to fiduciary duties, attendance, active participation, strategic thinking, and their contributions to various committees. For senior managerial personnel, performance evaluation is aligned with the achievement of Board-approved business plans and annual performance incentives. These evaluations consider both financial and strategic outcomes, ensuring alignment with the Company's long-term goals. An evaluation of performance has been undertaken based on the criteria for all senior managerial personnel,

Sustainability Governance

TVS Motor follows a multi-tiered governance structure to embed sustainability from the Boardroom to the shop floor. The Board and senior leadership actively guide sustainability strategy, with regular oversight at Board meetings. The Risk Management Committee integrates sustainability into enterprise risk planning, while the CEO-led Sustainability and EHS Steering Committee oversees targets and progress. Operationally, plant-level committees drive on-ground action, supported by a Sustainability Ambassador Programme that empowers employees to champion initiatives across the organisation.

following the above process. The NRC reviews and approves compensation plans, policies, and performance-linked incentives for senior management, while delegating specific responsibilities to the Executive Directors wherever appropriate.

Risk Management

The Company's Risk Management Policy ensures a structured and proactive approach to identifying, assessing, mitigating, and monitoring risks that could impact its strategic and operational objectives. TVS Motor evaluates both internal and external risk factors — ranging from regulatory changes and market volatility to financial exposures and cybersecurity threats — and prioritises them based on impact and likelihood. The Board has approved a Risk Mitigation Policy. Mitigation strategies include process optimisation, technological upgrades, and contingency planning. Risks are continuously monitored, with key indicators regularly reviewed by the management and the Board.

The Risk Management Committee plays a central role in overseeing this process, ensuring alignment with the Company's governance framework and enabling informed, risk-aware decision-making.

Whistleblower Policy

The Company's Whistleblower Policy is designed to protect stakeholders from retaliation or victimisation when raising concerns in good faith. It provides a secure and confidential mechanism for reporting actual or suspected violations of the Company's Code of Conduct, accounting or audit irregularities, legal or regulatory breaches, and any instances of misrepresentation in financial statements or disclosures. The policy also covers concerns related to the leakage or suspected leakage of unpublished price-sensitive information, reinforcing TVSM's commitment to transparency, integrity, and ethical conduct.

Industry Certifications

- **ISO 50001:2018** — Energy Management System
- **ISO 14001:2015** — Environmental Management System
- **ISO 22301:2019** — Security and resilience — Business continuity management systems — Requirements
- **ISO/IEC 27001** — Information security, cybersecurity and privacy protection — Information security management systems
- **SA8000® Standard** — Social Accountability International (SAI)

Valued Associations

Confederation of Indian Industry (CII)

Affiliations with Trade and Industry Chambers

Corporate Information

Board of Directors

Prof. Sir Ralf Dieter Speth
Chairman

Venu Srinivasan
Chairman Emeritus & Managing Director

Sudarshan Venu
Managing Director

K N Radhakrishnan
Director & Chief Executive Officer

Shailesh Haribhakti
Dr. Deepali Pant Joshi
Vijay Sankar
B Sriram

Audit Committee

Shailesh Haribhakti, *Chairman*
Dr. Deepali Pant Joshi
K N Radhakrishnan

Nomination and Remuneration Committee

Vijay Sankar, *Chairman*
Dr. Deepali Pant Joshi
B Sriram

Risk Management Committee

B Sriram, *Chairman*
Sudarshan Venu
K N Radhakrishnan
K Gopala Desikan

Stakeholders' Relationship Committee

Dr. Deepali Pant Joshi, *Chairperson*
Venu Srinivasan
Sudarshan Venu

Corporate Social Responsibility

Venu Srinivasan, *Chairman*
Sudarshan Venu
Vijay Sankar

Chief Financial Officer

K Gopala Desikan

Company Secretary

K S Srinivasan

Statutory Auditors

Sundaram & Srinivasan,
Chartered Accountants,
23 C P Ramasamy Road
Alwarpet, Chennai - 600018
Tel.: 044-2498 8762
E-mail: sundaramandsrinivasan1948@gmail.com

Cost Auditors

C S Adawadkar & Co.
Cost Accountants
103, Building 10 "Palvi", DSK Raanwara,
Bavdhan, Pune 411021
M: +91 9225807907
E-mail: csadawadkar@csagrp.co.in

Secretarial Auditors

Sriram Krishnamurthy & Co.,
Company Secretaries
T-1, "Shobana", 3rd Floor, 17, Nandanam Main Road,
Nandanam Extension, Chennai 600035
M- +91 94440 80328
E-mail: skco.cs@gmail.com

Shares listed with

BSE Ltd., Mumbai.
National Stock Exchange of India Ltd., Mumbai.

Major Bankers

State Bank of India
Axis Bank Limited
HDFC Bank Limited
Deutsche Bank
Federal Bank Limited

Registered Office

'Chaitanya' No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai 600 006, Tamil Nadu, India
Tel: 044-28332115
CIN No. L35921TN1992PLC022845
E-mail: contactus@tvsmotor.com
Website: www.tvsmotor.com

Share Transfer Agent

Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1,
Ramakrishna Street, North Usman Road, T Nagar,
Chennai-600 017
Tel: 044-2814 0801-03
E-mail: einward@integratedindia.in

Plant Locations

1. Post Box No. 4, Harita, Hosur - 635 109, Tamil Nadu, India. Tel: 04344 - 276780
2. Post Box No. 1, Byathahalli Village,
   Kadakola Post, Mysuru - 571 311, Karnataka, India.
   Tel: 0821 - 2596561
3. Bhatian Village, Bharatgarh Road, Teh. Nalagarh, Solan District - 174 101, Himachal Pradesh, India.
   Tel: 01795 - 220492/93

Financial Highlights

₹ in crore

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Sales & other income @	12,195	13,363	15,618	18,217	16,455	16,784	20,810	26,479	31,925	**36,309**
Profit before interest, depreciation, amortisation and tax*	914	1,030	1,274	1,441	1,378	1,462	1,981	2,775	3,663	**4,512**
Profit before tax*	629	699	879	961	787	826	1,243	2,003	2,781	**3,629**
Exceptional / Extraordinary Items	-	-	-	-	(32)	-	(30)	-	-	**-**
Profit after tax	489	558	663	670	592	612	894	1,491	2,083	**2,711**
Net fixed assets	1,751	2,046	2,503	2,837	3,185	3,289	3,731	4,224	4,702	**5,585**
Share capital	47.51	47.51	47.51	47.51	47.51	47.51	47.51	47.51	47.51	**47.51**
Reserves and surplus	1,911	2,361	2,833	3,300	3,571	4,123	4,775	6,000	7,684	**9,889**
Net worth	1,959	2,409	2,881	3,348	3,619	4,171	4,822	6,048	7,731	**9,937**
Total borrowings	924	1,107	1,189	1,400	2,022	1,106	1,601	2,245	1,513	**1,735**
Earnings per share (₹)	10.30	11.75	13.95	14.11	12.47	12.88	18.81	31.38	43.84	**57.05**
Dividend per share (₹)	2.50	2.50	3.30	3.50	3.50	3.50	3.75	5.00	8.00	**10.00**
Book value per share (₹)	41.22	50.70	60.63	70.46	76.17	87.78	101.51	127.29	162.73	**209.15**
Operating EBITDA (%)	7.29	7.06	7.74	7.87	8.19	8.53	9.44	10.14	11.06	**12.29**
Profit before tax * / Turnover (%)	5.20	5.30	5.66	5.28	4.79	4.93	5.98	7.59	8.75	**10.01**
Return on capital employed (%)	23.24	21.67	24.61	23.55	16.62	17.15	20.68	25.25	31.41	**31.56**
Return on net worth (%)	27.15	25.56	25.06	21.52	17.01	15.72	19.87	27.43	30.23	**30.68**

Notes:

@Sales includes Excise duty upto June 2017.

*Figures stated are before exceptional and extraordinary items.

Directors' Report

The Directors have the pleasure of presenting the 33rd Annual Report and the Company's audited accounts for the year ended 31st March 2025.

1. SUMMARY OF THE KEY HIGHLIGHTS ON THE COMPANY'S PERFORMANCE IN FY 2024-25

Sales Performance:

- The Company surpassed all its previous highs, achieved the highest-ever sales of 4.74 million units of two-and three-wheelers.
- Two-wheeler domestic ICE sales grew by 9% over the last year as against industry growth of 7% with 3.25 million units sold.
- In the two-wheeler international market, the Company sales grew by 23% against the industry growth of about 21%.
- Total ICE two-wheeler grew by 12% compared to the last year as against industry growth of 10%.
- EV two-wheeler sales increased by 44% to 2.8 lakh units as against 1.9 lakh units during last year.
- Three-wheeler sales stood at 1.35 lakh units against 1.46 lakh units sold last year.

4.74 Mn

Total units (2Ws+3Ws) sold during FY 2024-25 (15% y-o-y growth)

₹36,309 Cr

All-time high revenue

₹3,629 Cr

All-time high PBT

Financial Performance

- The Company posted the highest ever revenue of ₹36,309 crore, highest ever profit of ₹3,629 crore.
- The Company's operating revenue grew by 14%.
- The Company recorded the highest-ever operating EBITDA of ₹4,454 crore, a growth of 27% as against the EBITDA of ₹3,514 crore during last year.
- The Company's operating EBITDA improved by 120 basis points at 12.3% including the PLI benefits, as against last financial year's 11.1%.

Dividend & Bonus Preference Shares

- Declared an interim dividend of ₹10 per share (1,000%) for the year FY 2024-25, absorbing a sum of ₹475 crore.
- On receipt of final approval from the Hon'ble National Company Law Tribunal, Chennai Bench, the Company shall issue 4 Non-convertible Redeemable Preference Shares (NCRPS) of face value of ₹10 each fully paid up, for every 1 equity share of ₹1 each fully paid up held by equity shareholder of the Company.

Acquisitions

- The Company established a wholly owned subsidiary in Dubai in the name of TVS Motor Company DMCC, Dubai.
- The Company acquired additional stake in DriveX Mobility Private Limited (DriveX) and thereby it has become a subsidiary.
- The Company acquired additional stake in The Go Corporation, Switzerland (GO AG) and EBCO Ltd, UK through TVS Motor (Singapore) Pte Ltd and thereby both became the wholly owned subsidiary of TVS Motor (Singapore) Pte. Ltd and the Company.

Product Launches

- All-new TVS Jupiter 110, TVS Apache RTR 160 series and all-new TVS Ronin.
- New variants of TVS iQube electric scooter; and.
- TVS King EV MAX – first electric three-wheeler.

Performance of Subsidiaries

- TVS Credit Services Limited has served 1.9 crore customers till date. TVS book size is ₹26,647 crore. PBT for the year grew by 35% at ₹1,025 crore as against last year ₹762 crore.
- Sundaram Auto Components Limited completed the sale of its injection moulded plastic component solutions division on 31st January 2025 and business of manufacturing of seats for two-wheelers on 22nd March 2025 as a going concern on a slump sale basis.
- PT TVS Motor Company, Indonesia two-wheeler sales grew by 19.3% and reported operating EBITDA of $8 million.

Awards and Accolades

- The Company earned multiple accolades in J.D. Power 2024 India Two-Wheeler IQS and APEAL Studies, with models like Jupiter 125, Radeon, Apache RTR 160 2V and Raider recognised for quality and customer appeal.
- Mr. Venu Srinivasan, Chairman Emeritus and MD of TVS Motor, won the lifetime achievement award for his contributions to Indian manufacturing by ET Awards for Corporate Excellence.
- Mr. Sudarshan Venu, MD of TVS Motor, was ranked amongst India's Best CEOs by Fortune and Business World magazines.
- The CSR arm of the Company viz. Srinivasan Services Trust inter-alia won awards for 'Learning & Development' best practices, CSR Universe Social Impact Awards 2024 and the Gold Award for 'Excellence in HR Digital transformation'.

2. GENERAL OVERVIEW

TVS Motor Company Limited (TVSM), driven by its unwavering customer focus and commitment to the highest standards of quality, has delivered a strong performance for FY 2024-25.

Our long-term core values of trust, customer obsession, value maximisation, speed & agility, exactness and disruptive mindset have been the cornerstone of our success, enabling us to consistently grow.

The year has been marked by significant growth, robust financial results, and a strengthened market position, reflecting our dedication to delivering superior products and services. As we continue to innovate and expand, we remain steadfast in our mission to provide unparalleled value to our customers and stakeholders.

2.1. Key Performance Snapshot

In FY 2024-25, the Company registered highest-ever annual sales of 46.09 lakh (4.61 million) units of two wheelers and 1.35 lakh (0.13 million) units of three-wheelers. This translated into a 13% sales growth over the annual sales of 41.91 lakh (4.19 million) units in FY 2023-24.

On the back of this strong performance, the Company reported an all-time high revenue of ₹36,251 crore and PBT of ₹3,629 crore. The Company also recorded its highest ever operating EBITDA of ₹4,454 crore, a growth of 27% as against ₹3,514 crore during FY 2023-24.

TVS Motor earned multiple accolades in the J.D. Power 2024 India Two-Wheeler IQS and APEAL Studies, with models like Jupiter 125, Radeon, Apache RTR 160 2V, Raider and iQube recognised for quality and customer appeal.

The Company became India's first two-wheeler manufacturer to achieve the 'TPM Advanced Special Award' simultaneously for all its manufacturing plants. This outstanding achievement is a testament to the unwavering dedication, teamwork and commitment of every employee across the organisation.

Together, the joint efforts of our employees and partners have strengthened excellence in management and optimised business processes across the Company.

2.2. Macroeconomic Overview – India

India's Real Gross Domestic Product (GDP) grew by 6.5% in FY 2024-25, driven by an increase in consumption and improvement in the agriculture sector. This has also been aided by the fiscal and monetary policies of the Government and supported by the inherent fundamentals of the economy.

As per the Ministry of Statistics and Programme Implementation, the agriculture sector's Gross Value Added (GVA) grew by 4.6% in FY 2024-25, in comparison to the 2.7% growth seen in FY 2023-24. Bountiful rains and adequate water levels in reservoirs across the country aided this growth. Industry and services sectors grew by 5.6% and 7.3%, respectively.

The Consumer Price Index (CPI) inflation stayed range-bound at 4.63%, in line with the Reserve Bank of India's (RBI) targets, supported by stable food and commodity prices. In February 2025, the RBI reduced the benchmark repo rate by 25 basis points to 6.25% to support consumption growth.

The Government of India's ongoing and significant investment in infrastructure over recent years bodes well for overall economic growth and improvement in the quality of life of people. In FY 2024-25, the public capital infrastructure spend was ₹10.2 lakh crore, increased from ₹9.49 lakh crore in FY 2023-24.

2.3. Macroeconomic Overview - Global

As per the International Monetary Fund (IMF), the global economy grew by 3.3% in CY 2024. The emerging and developing economies grew at a faster rate of 4.3%, in comparison to the 1.8% growth observed in developed economies.

As per the April 2025 projections of the IMF, the global economic growth is estimated to grow by 2.8% in CY 2025. The growth estimates differ across regions and countries on account of the geo-political uncertainties.

3. INDUSTRY PERFORMANCE IN FY 2024-25

3.1. Two-wheeler ICE (India)

In FY 2024-25, two-wheeler sales grew by 6.9% (all-India VAHAN), with 13.2% growth in Q1, 2.0% in Q2, 11.6% in Q3, and then flattening in Q4 FY 2024-25.

The industry wholesale stood at 19.9 million units compared to 18.4 million units in the previous fiscal year. While this reflects a growth of 8%, the industry has yet to reach its highest-ever volume of 21.2 million units recorded in FY 2018-19.

The significant performance markers in FY 2024-25 are listed here for reference:

OVERALL TWO-WHEELER INDUSTRY

(ICE +EV) VAHAN

9.0%
H1 growth

6.6%
H2 growth

TWO-WHEELER ICE

MOTORCYCLE INDUSTRY (DISPATCH)

4.6%
Growth in FY 2024-25

12.2 Mn
Volume in FY 2024-25

65%
Category share in FY 2024-25 (a y-o-y decline of 1.5%)

TWO-WHEELER ICE

SCOOTER INDUSTRY (DISPATCH)

12.7%
Growth in FY 2024-25

6.1 Mn
Volume in FY 2024-25

32.3%
Category share in FY 2024-25 (a y-o-y growth of 1.5%)

TWO-WHEELER EV

SCOOTER INDUSTRY (VAHAN)

22.0%
Growth in FY 2024-25

1.14 Mn
Volume in FY 2024-25

6.8%
Penetration in FY 2024-25 (a y-o-y growth of 1.5%)

TWO-WHEELER ICE

MOPED INDUSTRY (DISPATCH)

4.2%
Growth in FY 2024-25

5.01 Lakh
Volume in FY 2024-25

2.7%
Category share in FY 2024-25 (a y-o-y decline 0.1%)

The growth of motorcycle industry in FY 2024-25 offered key insights:

- Premium motorcycle sales grew by 6.6% in FY 2024-25, reaching 1.6 million units compared to 1.5 million units in FY 2023-24 retaining a category share of 8.5%.
- Commuter motorcycles commanded a dominant category share of 49.1% (50.3% in FY 2023-24) of the overall two-wheeler industry.
- This category, which comprises the Executive and Economy segments, saw a volume growth of 4.1% in FY 2024-25 with sales of 9.2 million units (from 8.8 million units in FY 2023-24). While the Economy segment grew by only 1.2%, the Executive segment posted a growth of 8.3%, improving its category share from 20.4% to 20.6%.
- The Scooter industry grew by 12.7% in FY 2024-25, with 6.1 million units sold compared to 5.37 million units in FY 2023-24, maintaining its category share at 32.3%.

3.2. Two-wheeler EV (India)

EV industry retail sales, as per VAHAN, reached 1.14 million units in FY 2024-25, up 22% over last year. The average penetration of EV two-wheelers stood at 6.8%, growing from 5.3% last year.

The continued focus and support for EV adoption extended by the Central Government — in the form of the PM e-Drive (earlier Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India or FAME II), the Production-Linked Incentive (PLI) Scheme, and reduced Goods and Services Tax (GST) on lithium-ion batteries — are making EVs more affordable for consumers.

Various state governments have issued their EV policies, offering additional incentives and support for EV adoption.

3.3. Three-wheelers ICE+EV (India)

The retail industry posted a strong growth of 14%, from 0.61 million units to 0.7 million units in FY 2024-25. The wholesale industry grew by 9% during FY 2024-25, with volumes rising from 0.65 million units to 0.71 million units.

The small-passenger segment (ICE + EV) grew by 20% in FY 2024-25 (from 349,284 units in FY 2023-24 to 420,464 units in FY 2024-25), while its contribution to the overall three-wheeler industry increased from 54% to 59%. The cargo segment also saw growth, due to demand for last-mile delivery and e-commerce applications aided the growth of the cargo segment.

The adoption of EVs (L5) in the three-wheeler industry has been significantly increasing, from 12% in FY 2023-24 to 22% in FY 2024-25. The L5 EV segment's sales nearly doubled, from 78,002 units in FY 2023-24 to 154,548 units in FY 2024-25, posting a growth of 98%.

59%

Contribution of the Small Passenger segment to the overall three-wheeler industry

154,548 units

EV segment sales in FY 2024-25

98% y-o-y growth

3.4. International Business (Two-wheelers and Three-wheelers)

While the global two-wheeler industry grew by 3% in FY 2024-25, 4.2 million units were exported from India, a growth of 22.1% over last year. H1 FY 2024-25 recorded a growth of 16.5%, and H2 FY 2024-25 reported an growth of 30%. Exports to the LATAM region experienced higher growth with strong demand in Mexico, Colombia, and Guatemala, while exports to the Middle East faced a decline.

The three-wheeler industry grew by 3% in FY 2024-25, with 105.7K units exported from India, registering a decline of 15.7% over last year. However, the decline was lower in H2 at 13.1%, indicating a recovery.

4. MANAGEMENT DISCUSSION AND ANALYSIS

4.1. Company's Global Business Performance in FY 2024-25

The Company surpassed all its previous highs, achieving the highest-ever sales of 4.74 million units (two- and three-wheelers).

The Two-wheeler sales touched all-time high of 4.61 million units, recording a 14% growth over FY 2023-24.

The three-wheelers sales were at 0.13 million units as against the 0.14 million units last year.

4.2. Domestic Business (Two-wheelers and Three-wheelers)

The Company outperformed the broader two-wheeler industry (ICE+EV), which grew by ~8%, with a higher-than-industry growth of 11.5% across segments.

4.3. International Business (Two-wheelers and Three-wheelers)

In FY 2024-25, the Company registered a 22.8% growth in two-wheeler exports with 1.1 million units, against the 0.89 million units in the previous year. This was driven by strong business growth in Asia and LATAM.

Three-wheeler exports during the year reached 0.11 million units, a decline of 15.7% over FY 2023-24. In the international markets, some African markets witnessed slow momentum due to high inflation and currency devaluation. The Company is optimistic about the industry's recovery and expects positive trends starting in FY 2025-26.

MOTORCYCLES

1.20 Mn

Overall domestic sales declined by 1.6% in FY 2024-25 over FY 2023-24

0.48 Mn
Sales in Premium category grew by 20.6% in FY 2024-25 over FY 2023-24

0.72 Mn
Sales in Commuter segment declined by 12.4% in FY 2024-25 over that in FY 2023-24

Primary Growth Driver: TVS Apache Series

SCOOTERS

1.54 Mn

Domestic scooter sales grew by 22.1% in FY 2024-25 over that in FY 2023-24

Primary Growth Driver: Jupiter

EVs

0.28 Mn

Domestic EV sales grew by 45.2% in FY 2024-25 over that in FY 2023-24

Primary Growth Driver: TVS iQube, whose availability expanded to 1,074 dealerships; also, the public charging network expanded to ~5,000 charging points

COMMERCIAL MOBILITY

29k

Sales in Domestic Commercial Mobility category grew by 39% in FY 2024-25 over that in FY 2023-24

4.4. New Product Launches and Initiatives in FY 2024-25

New TVS Jupiter 110

The all-new TVS Jupiter was launched in FY 2024-25, bringing together unparalleled design, performance, comfort, and convenience. It has been the anchor of the scooter portfolio, earning the trust of more than 7 million households since its initial launch in FY 2012-13.

The all-new 110 is a significant step towards reinforcing the 'Zyada Ka Fayda' (Benefit of 'More') philosophy, catering to progressive Indian lifestyles. Since its launch in August 2024, it has already earned six 'Scooter of the Year' awards, validating the superior value offered to customers.

A C
B D

A. New TVS Apache RR310

The TVS Apache RR 310 crafted from the racetrack is the ultimate track weapon. In its latest avatar it has taken its racing creds to the next level. The motorcycle now delivers a blistering power of 38 PS @ 9800 controlled by a slick bi-directional quick shifter and many segment-first features like aerodynamic winglets for enhanced stability and transparent clutch cover.

Safety and comfort have been elevated with the addition of Race Tuned Dynamic Stability Control, Tire Pressure Monitoring System (TPMS) and Cruise Control.

The new Apache RR 310 has a refreshed livery and an all-new Bomber Grey colour.

B. TVS Apache 160 – Racing Edition

The TVS Apache RTR 160 with its 15.5 PS power and aggressive ergonomics has been a true derivation of the TVS Racing heritage.

To celebrate this racing lineage, a refreshed variant called the 'Racing Edition' was launched featuring carbon fibre graphics and sporty red alloy wheels.

C. TVS Apache 160 4V – USD and Traction Control

The Apache RTR 160 4V is India's Most Powerful 160cc. This machine was upgraded with a new variant featuring premium gold finish Up Side Down suspension (USD) that not only enhance the design but also the riding dynamics.

This new variant sports a unique dual tone livery with race graphics and alloy wheels finished in red colour giving it a bold and dynamic presence. An all-new Granite Grey colour was also introduced to the range.

D. TVS NTORQ Midnight Blue Edition

Since its launch in FY 2018-19, the TVS NTORQ 125 has redefined the Indian scooter market, setting new benchmarks in design, performance, and technology. Inspired by TVS Racing design, it embodies adrenaline-fuelled dynamism.

In FY 2024-25, the product got a striking new look with additional colour and graphics on the Race XP series. The refreshed palette enhances its sporty sophistication, catering to young professionals who demand style with power.

TVS iQube, packing an impressive
32-litre under-saddle storage

E

F

E. TVS iQube 2.2 kWh

The TVS iQube 2.2 kWh variant exemplifies dedication to innovation and sustainable urban mobility. It is powered by a 2.2 kWh battery, delivering a real-world range of 75 km and a top speed of 75 km/h. It supports quick charging, achieving 0 to 80% charge in just 2.45 hours, enhancing convenience for daily commuters.

It boasts a 5-inch colour TFT display, providing features such as turn-by-turn navigation, distance-to-empty readings, multiple riding modes, and vehicle crash and tow alerts. Additional amenities include 30 litres of under-seat storage, full LED lighting and a USB charging port, ensuring both practicality and modern connectivity.

Designed for urban agility, the iQube 2.2 kWh variant offers a smooth and efficient ride, making it an ideal choice for city commuting and makes electric mobility more accessible to a broader audience.

F. TVS iQube Celebration Edition

On the eve of India's 78th Independence Day, TVSM proudly announced the launch of the Limited 'Celebration Edition' of its TVS iQube 3.4 kWh and TVS iQube S variants.

Designed to stand out, the Celebration Edition is crafted to inspire progress and aspiration synonymous with India. It stands as a testament to our deep respect for the values that make India extraordinary.

Limited to just 1,000 units each, the TVS iQube 3.4 kWh and TVS iQube 'Celebration Edition' featured a striking dual-tone colour scheme complemented by bold decals and special badging to mark the occasion.

G
H

Harith Noah at the
Trans Anatolia Rally, Turkey (2025)

G. TVS King EV Max

The Company entered the EV 3-wheeler space by launching its King EV Max. With a claimed range of 179 km, top speed of 60kph and 0 to 80% charge in 2 hours 15 minutes, it sets the benchmark in the segment.

It features a 9.7 kWh Lithium-ion LFP battery pack with a claimed range of 179 km delivering peak power of 11kW and 40Nm and three riding modes with different top speed limits – Eco (40kph), City (50kph) and Power (60kph).

The King EV Max also gets Bluetooth-enabled connected features as currently seen on TVSM two-wheelers to access vehicle diagnostics, last parked location, call and message notifications. It features an LED headlight with an integrated Daytime Running Lamp and LED tail-lamp. Interestingly, the King EV also has a water-wading capacity of up to 500mm.

TVS King EV Max is currently available in select states such as Uttar Pradesh, Bihar, Jammu and Kashmir, Delhi and Bengal and comes with a 6-year or 1,50,000km warranty.

H. TVS Racing

TVS Racing, the racing arm of the TVSM R&D, had a very successful season in FY 2024-25 with a 80% podium finish record in all races participated. TVS Racing won 7 of the 9 national championships it participated in.

TVS Racing rider Harith Noah achieved a 2nd stage win in Trans Anatolia rally, Turkey. The Sherco-TVS Racing team won the Trans Anatolia Rally and made it onto the podium in Bara Aragon rally, Spain.

TVS Racing is actively working on projects like Moto3 development and electric super cross racing. The Company benefits immensely from the close collaboration between the engineers of the racing team and product development in developing cutting-edge products and relevant technologies using Motorsports as a greater opportunity.

80%
Podium finish record for TVS Racing in FY 2024-25

7
National championships won by TVS Racing during the year

4.6. BMW Association

Scripting a remarkable collaboration unique to the global two-wheeler industry, TVSM and BMW Motorrad proudly celebrated their decade long partnership which began in FY 2013-14.

This alliance has led to the successful development of five motorcycles on the 310cc platform. With over 225,000 satisfied customers, these motorcycles have gained widespread acceptance across key global markets, including the EU, USA, Latin America, Japan, China, and India. Latest in this partnership is the co-development of the BMW CE 02, an innovative electric vehicle, which is being sold worldwide, including India. The BMW 450 GS was showcased at EICMA, Italy in November 2024 and at Bharath Mobility Global Expo, India in January 2025.

TVSM plays a key role in designing and developing upcoming BMW Motorrad products while ensuring world-class quality, efficient supply chain management and seamless industrialisation.

Under this extended collaboration, both companies have outlined a roadmap for multiple new products and advanced technologies, promising significant business growth. This partnership continues to reach new heights, with a series of super-premium products models in the development pipeline.

Know more about our collaboration with BMW Motorrad by clicking here

5. FINANCIAL PERFORMANCE REPORT

5.1. Company's Financial Performance in FY 2024-25

Details	Year Ended 31st March 2025	Year Ended 31st March 2024
SALES		
Quantitative		**(Number in lakh)**
Motorcycles	**21.95**	**19.90**
Mopeds	**5.10**	4.85
Scooters	**19.04**	15.70
Three-wheelers	**1.35**	1.46
Total Vehicles Sold	**47.44**	**41.91**
Financials		**(₹ in crore)**
Revenue from Operations	**36,251**	**31,776**
Other Income	**58**	149
Profit/Loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense	**4,512**	3,663
Less: Depreciation/ Amortisation/ Impairment	**744**	700
Profit/Loss before Finance Costs, Exceptional Items, and Tax Expense	**3,768**	2,963
Less: Finance Costs	**139**	182
Profit/Loss before Exceptional items and Tax Expense	**3,629**	2,781
Add/(Less): Exceptional Items	**-**	-
Profit/Loss before Tax Expense	**3,629**	**2,781**
Less: Tax Expense (Current and Deferred)	**918**	698
Profit/Loss after Tax	**2,711**	**2,083**
Other Comprehensive Income /(Loss)	**32**	(20)
Total	**2,743**	2,063
Less: Dividend on Equity Shares	**475**	380
Balance Carried Forward	**2,268**	**1,683**

5.2. Dividend

The Board of Directors of the Company (the Board) at their meeting held on 20th March 2025, declared an interim dividend of ₹10 per share (1,000%) on 47,50,87,114 equity shares of ₹1 each for the year FY 2024-25, absorbing a sum of ₹475 crore.

The Board does not recommend any further dividend for the year under consideration. The dividend payout is in accordance with the Company's Dividend Distribution Policy. The Board is not considering any transfer of amount to General Reserves for the year under review.

6. BUSINESS OVERVIEW AND OUTLOOK FOR FY 2025-26

As the Company moves into FY 2025-26, it holds a general positive outlook. India's GDP is expected to sustain its position as the fastest-growing major economy, with growth expectations ranging between 6% to 6.5%. This growth, however, is expected to face risks from an increasingly uncertain global environment.

Key drivers for the growth include:

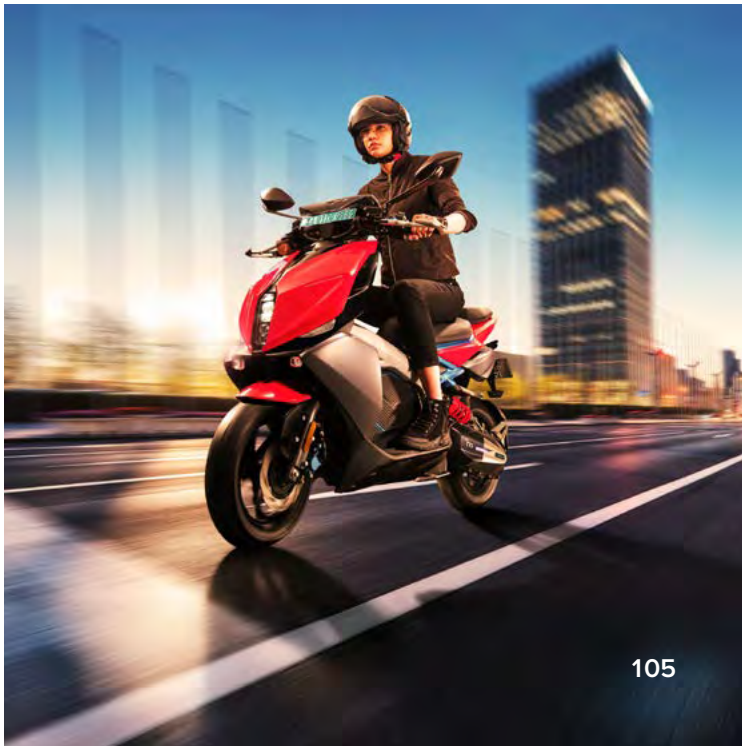
- Stable consumption demand supported by positive agriculture output, higher realisation on account of Minimum Support Price (MSP) and an estimated normal monsoon.
- Positive consumer sentiment as captured by the Reserve Bank of India's (RBI) future expectations index.
- Increased disposable income due to restructuring of income tax slabs.
- Policy rate cut by the Monetary Policy Committee of the RBI to support consumption and credit growth.
- Enhanced investment climate supported by well-regulated banking and financial practices.
- Moderate and stable inflation as per RBI targets.

In addition to the above factors, investments by private sector coupled with the favourable demography are expected to further continue to fuel the growth of the economy. The focus of the Union Budget for FY 2025-26 was towards supporting consumption while reducing fiscal deficit to pave the way for higher growth and lower future liabilities. These measures along with policy developments by RBI are expected to boost consumption in the near term.

The Company is confident that India's growth story will continue to be backed by the above factors and shall continue to drive growth across personal and commercial mobility. Enhancements in road infrastructure including wider network of highways and expressway, stable economic conditions and newer transit systems will further fuel the demand for mobility. Positive sentiments along with uptick in replacement cycle are further expected to support growth for two-wheeler industry. The growth momentum in domestic market is likely to continue in line with the previous year for both two-wheelers and three-wheelers.

On the export front, the two-wheeler business is anticipated to maintain positive momentum with growth expected in the Africa market along with increased volumes in the Middle East, ASEAN, Africa and LATAM. TVSM is cautiously optimistic that this would offset the geo-economical risks arising from global geo-political uncertainties and new trade policies.

For FY 2025-26, TVSM is well-prepared with a robust portfolio, exciting new products and rigorous action plans to leverage growth in the international market.



7. OPERATIONS REVIEW

7.1. Risk Management

Environmental and Geopolitical Factors

The continuation of global geopolitical conflicts, along with key countries' adoption of protectionist measures, is adversely impacting global trade and the economy in several emerging markets where the Company operates. Going forward, a new wave of tariff war could escalate trade tensions in international business, resulting in higher market inefficiencies and disruptions in global supply chains. However, the nature of the risk will likely be more regional than systemic. Regions or economies with high dependency on global trade are likely to be more affected.

The two- and three-wheeler export industry is expected to be influenced by the evolving economic and policy environment. In FY 2025-26, potential tariff hikes and deportation plans, if implemented, could impact domestic incomes, which could further impact demand for two-wheelers and three-wheelers in the respective economies. Key countries in Latin America, such as Mexico, Honduras and Guatemala, among others, could see potential impact in the near term.

Supply-side Factors

The probability of widespread supply chain disruptions is expected to be lower than last year. Nevertheless, emerging geopolitical events impacting global logistics may lead to short- or medium-term interruptions. To mitigate these risks, the Company operates a diversified, multi-sourced global supply chain.

Demand-side Factors

Consumption growth has remained subdued over recent quarters. However, domestic demand for two-wheelers is expected to stay strong, supported by solid market fundamentals and a favourable replacement cycle. Water reservoir levels are currently higher than last year, which is encouraging. Still, any irregularities in the monsoon could impact agricultural output and, consequently, dampen demand. Additionally, evolving regulatory norms and tighter liquidity conditions may pose challenges to sales. Over the past few years, multiple factors have driven up two-wheeler prices in India. While some segments have adapted well, a substantial further increase in prices could adversely affect demand in the near term

7.2. Risk Management Policy

The Company has implemented a comprehensive Risk Management Policy designed to identify, assess, monitor, and mitigate potential risks that could affect the achievement of its strategic goals. This policy ensures a systematic approach to risk management, allowing for proactive recognition and management of risks.

The key components of the Company's Risk Management Policy include the following:

- **Risk Identification:** The Company actively identifies and evaluates both external and internal factors that may pose risks – such as market conditions, regulatory changes, operational processes, financial exposures and cybersecurity threats.
- **Risk Assessment:** Risks are assessed based on their potential impact and likelihood, enabling the Company to prioritise its response. This assessment incorporates both quantitative and qualitative measures.
- **Risk Mitigation:** The Company adopts a proactive approach to managing risks through well-defined mitigation strategies, including continuous optimisation of operational processes, implementation of advanced technology and contingency planning. Adequate resources are allocated for risk control and management.
- **Risk Monitoring:** An ongoing process of monitoring risk exposures and management efforts ensures that corrective actions are taken when necessary. Key risk indicators are regularly reviewed by the management team and reported to the Board.
- **Governance and Accountability:** Risk management is integrated into the Company's governance structure, with oversight provided by the Board of Directors and senior management. The Risk Management Committee actively reviews various risks, including strategic, financial, market, IT, legal, regulatory and reputational risks, and monitors the implementation of mitigation strategies.

The Company's risk management process is embedded within its overall governance framework, ensuring that risk management is an integral part of decision-making. The risk management framework is robust and regularly reviewed by the Risk Management Committee. This framework allows the Board to identify, assess, monitor key risks and actively mitigate those that could impact the Company's objectives.

Risk identification and prioritisation revolve around the Company's risk appetite, strategy, severity and likelihood of occurrence. The Board is confident of the effectiveness of the systems and procedures for risk identification, assessment, monitoring, and management.

The Risk Management Committee oversees various risks and recommends appropriate actions based on the threat level. The Board has approved a comprehensive risk mitigation policy.

Workers at the paint shop at the Hosur facility

7.3. Internal Controls and their Adequacy

The Company has implemented a comprehensive internal control framework to safeguard its assets, perform efficient operations, detect and prevent fraud, and ensure the integrity of financial and operational reporting and compliance with the applicable laws and regulations.

Key components of the internal control system include:

- **Control Environment:** The Company fosters a strong organisational culture centred around integrity, ethics and accountability. This environment supports adherence to policies and procedures and ensures that the internal control system is respected and implemented across the Company.
- **Risk-based Control Activities:** The Company aligns its control activities with identified risks, ensuring that controls are tailored to address the specific needs of each function. Respective functions collaborate closely with internal audit to ensure that key controls are functioning effectively, and critical risks are addressed.
- **Monitoring and Evaluation:** The Company places strong emphasis on sustained monitoring of its internal controls. Independent internal audits are conducted regularly to assess the performance of the control systems. The Audit Committee of the Board oversees the adequacy of internal controls, ensuring they evolve with the changing risk landscape and business environment.

Through continued focus on internal control adequacy, the Company aims to achieve sustainable growth and enhance shareholder value.

7.4. Total Quality Management (TQM)

The foundational element of the Company's strategic approach, Total Quality Management (TQM) remains a consistent driving force behind operational excellence and mitigating risks in a dynamic industry landscape. This enduring commitment has played a key role in sustaining long-term growth for the Company.

The Company employs lean inventory methods and a cash-and-carry model to maintain product freshness and boost profitability for channel partners. Senior leadership regularly conducts change management workshops with dealers to reinforce a process-oriented culture, emphasising disciplined execution and operational rigor.

By harnessing digital and AI technologies, the Company continually enhances customer experience and sharpens demand forecasting. These efforts are closely aligned with targeted objectives across customer service, business performance, and departmental efficiency.

To elevate customer satisfaction, a Dealer TQM cluster model has been implemented at the front end. Meanwhile, the Supplier Excellence team runs an ongoing programme to embed the TVSM production system within supplier operations. This initiative focuses on improving supplier maturity, raising quality benchmarks, and enhancing delivery performance through sustainable manufacturing practices and waste reduction. Advanced tools like Vision AI and predictive maintenance algorithms are being adopted

as best practices, with plans to extend their use to more suppliers this year.

Communities of Practice (CoPs) bring together experts passionate about areas such as Operations Research, TRIZ, Reliability, and Taguchi methods. These groups help drive strategic initiatives, solve complex problems, share best practices, and build professional capabilities aligned with business goals.

A culture of total employee involvement is deeply embedded, supporting safety, quality, and profitability through Kaizen initiatives and cross-functional projects under the TVS Way certification. A strong emphasis on eliminating waste in inventory and asset management has significantly improved working capital efficiency.

7.5. Profit Management

TVSM provides high-value offerings to consumers. In addition to regular strategies like right-weighting, use of alternative material, localisation and process innovation, efforts have been put to improve modularity across platforms. The focus is on cost optimisation through supply chain collaboration and providing value enhancement to stakeholders across the value chain.

Commodity prices saw marginal increase across FY 2024-25. TVSM has been able to partially offset this by commodity-buy strategies like group buying in aluminium and alloy steel, input size optimisation and new grade introductions. The Company has also taken up appropriate price revisions.

Employee suggestion programmes continue to focus on cost reduction through war-room initiatives, operational enhancements and waste elimination.

In addition to these, digitisation and analytics projects across the supply chain have been taken up to improve the supplier spend performance with sharp focus on the potential to reduce cost.

7.6. Research and Development

The Company's top management has consistently emphasised its commitment to substantial investments in research and development (R&D) to drive innovation and future growth, as well as the development and deployment of future technologies across its product range.

This initiative is supported by a robust team of over 2,000 engineers, manufacturing, and IT specialists, highlighting the Company's focus on engineering excellence and advanced design capabilities.

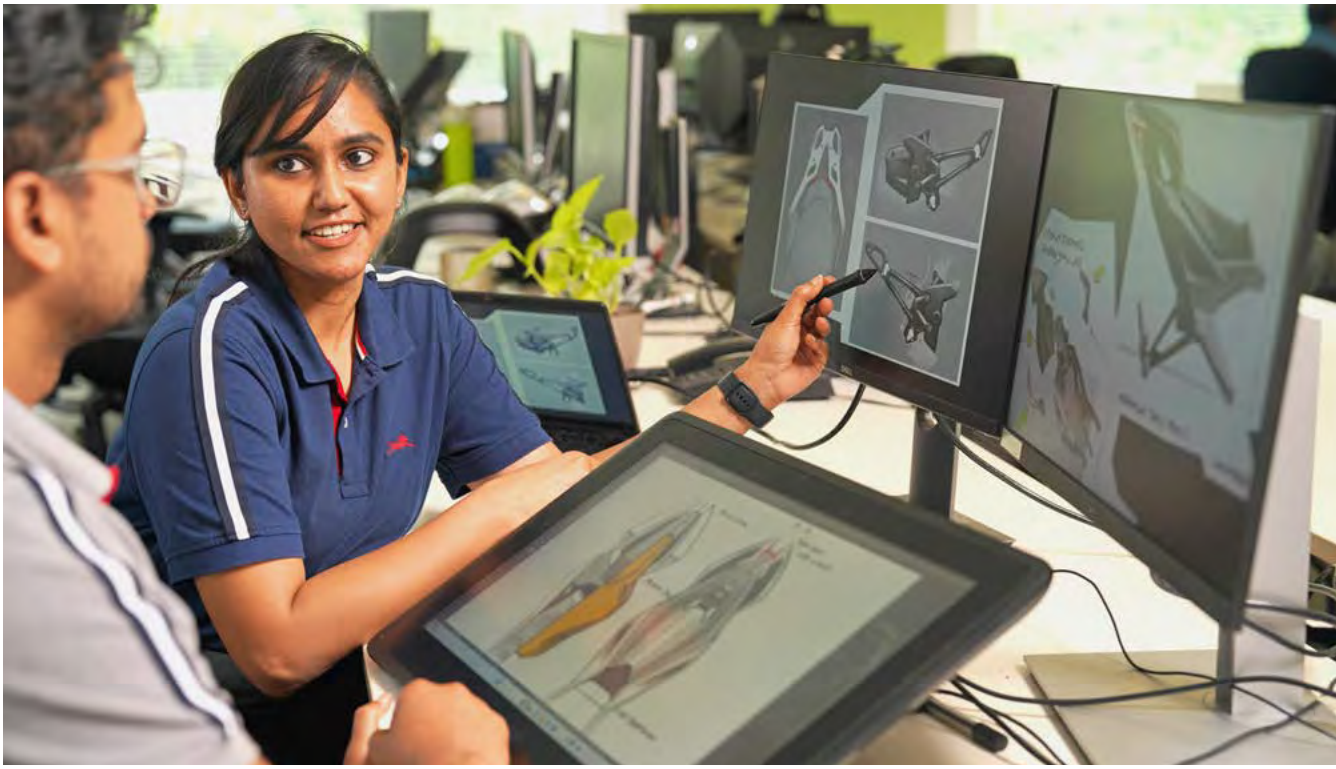
The Company is focusing on clean, connected, and technologically advanced mobility solutions for the global markets. It is dedicated to advancing R&D, fostering innovation and maintaining a competitive edge.

In FY 2024-25, the Company introduced several innovative technologies and products, underscoring its commitment to research and development:

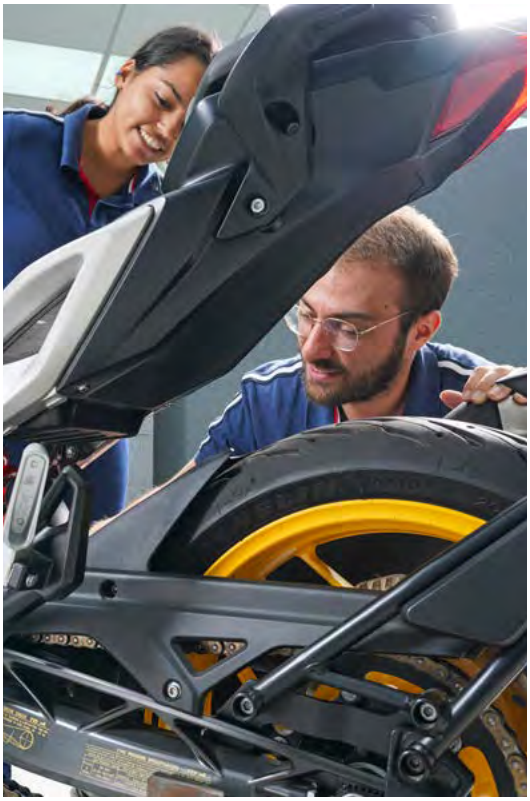
- **Premium/Super-Premium Motorcycles:** The flagship Apache RR 310 incorporated segment-leading technologies such as a bi-directional quick shifter, aerodynamic winglets, Tyre Pressure Monitoring System (TPMS), cruise control and a transparent clutch cover. It is equipped with advanced rider safety systems packaged as RT-DSC (Race Tuned Dynamic Stability Control) such as cornering ABS, cornering traction control, cornering cruise control, wheelie control, slope-dependent control and rear lift-off control.
- **TVS RT-XD4 Engine:** The next-generation RT-XD4 engine platform was launched in FY 2024-25. The first engine on this platform - the TVS RT-XD4 300 is a single-cylinder 299.1cc, forward-inclined engine delivering 35 PS power with liquid cooling system and a six-speed gearbox.
- **Scooters:** The second-generation Jupiter 110 was launched with a very modern futuristic design and an updated 113.3cc engine producing 7.9 bhp and 9.8Nm of torque, leveraging state-of-the-art platform engineering. Notable features include LED lighting, a digital console, SmartXonnect technology for Bluetooth navigation and notifications, a front-mounted fuel cap, USB charging port and expansive 30-litre under-seat storage.
- **Commercial Mobility:** The new TVS EV Max is an electric 3W with high performance capabilities, industry first connected technology, best-in-class power, better rideability, best-in-class comfort, convenience and safety.

These advancements reflect TVSM's dedication to integrating cutting-edge technology and design across its product lineup. In FY 2024-25, the R&D continued to enhance its design, computing and validation facilities with efforts and investments directed toward ICE, electric mobility, alternate fuels, flex fuels, advanced safety systems and sustainability. The current product range continues to have more than 87% recyclable and about 95% recoverable parts.

The Company's R&D division is a cornerstone of its innovation and product development strategy. Their collaborative efforts have led to the successful implementation of numerous technologies driven by deep customer understanding and technological advancement, contributing significantly to the Company's growth and the introduction of industry-leading products.



TVS
Racing



7.7. Digital and AI Technologies

TVSM views Digital and AI as strategic priorities across the organisation, focusing on customer experience, retail and service, manufacturing, supply chain, new product development, and enterprise operations. New social media and marketing automation tools have enhanced reach, responsiveness, and effectiveness.

The Company enhanced customer facing digital and AI capabilities by strengthening the web presence globally to increase organic traffic, lead capture and nurture of digital visitors.

AI technologies such as voice AI for lead management, vision AI for dealer upkeep, and auto-ordering systems for parts are embedded in retail and service operations. A full-scale digitalisation programme for product development is underway to accelerate time-to-market. Enterprise functions like HR, finance, legal, and TQM are transitioning to paperless systems.

To support this transformation, TVSM is strengthening its global tech infrastructure through multi-cloud deployments and scaling a Company-wide AI programme in FY 2025-26.

Cybersecurity is a critical enabler of this digital journey. TVSM is investing in robust security frameworks to safeguard data, ensure compliance, and protect operations across cloud platforms and AI systems. This includes proactive threat monitoring, secure access controls, and regular audits to maintain resilience and trust in its digital ecosystem.

7.8. Environment, Occupational Health and Safety

In FY 2024-25, TVSM released its first Sustainability Report at a holding company level, aligned to global disclosure requirements like Global Reporting Initiative (GRI) Standards 2021, EU Corporate Sustainability Reporting Directive (CSRD) and Sustainability Accounting Standards Board (SASB) – Automotive sector.

The Company improved its ESG performance ratings compared to the previous year, with a notable increase in CDP Climate Change and CDP Water scores from F to B, an ESG rating by S&P Global from 13 to 60 out of 100, and a Refinitiv ESG score from 35 to 60 out of 100.

All manufacturing Plants at the Hosur, Mysuru and Nalagarh locations have been certified under the Integrated Management Systems of ISO 14001:2015 and ISO 45001:2018. These facilities are also certified under the Social Accountability Standard SA 8000: 2014. Canteen facilities operated in-house at Hosur, Mysuru and Nalagarh plants are certified under the Food Safety Management System ISO 22000:2018.

The Company's environment stewardship was recognised across various platforms.

On 'Renewable Energy—100%', continuous efforts and projects implemented during the year have resulted in 68,000 tCO_2e Scope emissions being avoided as a result of the use of renewable energy in operations.

As part of the health and wellness initiative, various programmes to improve physical and mental health have been implemented at all plant locations. Healthcare support continued to be provided to villages around plants' vicinity.

The Company has adopted a strategic approach to instil a culture of sustainability through targeted thematic campaigns. In FY 2024-25, campaigns focusing on environmental health and safety involved approximately 70,000 participants across 716 events. The special Road Safety campaign saw nearly 100% employees engaged across 356 events within plant premises, and 31,112 participate in 480 dealership events, including public and road users.

In FY 2024-25, TVSM transitioned from the Plant Safety Score to the more advanced 'My Safety Index' (MSI), a leading indicator of safety performance across its manufacturing locations. The MSI currently stands at 81%, following comprehensive calibration across Hosur, Mysuru, Nalagarh, PT TVS Indonesia and Norton UK. The index reflects multiple dimensions of safety, including visible felt leadership, active participation from middle management and employees, process safety, and compliance with Integrated Management System (IMS) standards.

To improve the safety of truck drivers, a benchmark programme – Driver Management Centre (DMC) – was implemented at Hosur. The Contractor Safety Management Centre (CMC) at Hosur, Mysuru and Nalagarh was also launched.

In FY 2024-25, the Company rolled out its Progressive Consequences Management Policy as part of its efforts to enhance its safety culture. The approach involves continuous monitoring and progressive implementation of safety measures, ensuring that safety practices evolve and improve over time.

As part of the Social Accountability Standard – SA8000 is aimed at improving supply chain safety in the Company's value chain. The year saw 96 value chain partners being audited for their safety compliance. They were also supported in identifying around 100 improvements towards health & safety.

~68,000 tCO_2e

Emissions avoided as a result of the use of renewable energy in FY 2024-25

81%

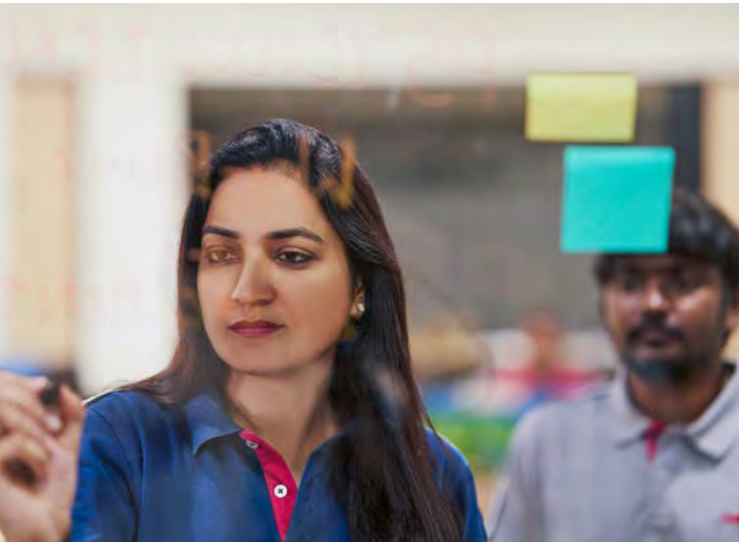
My Safety Index (MSI) score

7.9. Human Resource Development

Towards its long-term vision, the Company's people strategy focuses on building a high-performance and future-ready organisation. The Company recognises that business success is driven by people, and investing in their development is crucial for sustained growth.

TVSM's values and leadership competencies shape the Company's organisational culture. Through a structured five-phased approach — Initiation, Socialisation, Familiarisation, Adoption and Institutionalisation — these values are deeply embedded, fostering a purpose-driven culture that propels the Company's transformation journey and achieves 100% coverage on values.

Recognising the critical role of leadership in guiding TVSM through global expansion, we have implemented targeted programmes to identify, nurture and prepare future leaders, ensuring a seamless transition as TVSM scales into international markets.



The Company has also included 100% of the identified talent in its leadership development programmes. TVSM's commitment to talent development has been recognised with the Gold Award for 'Excellence in Organisation Development' and 'Establishing Best HR Practices' at The Economic Times Human Capital Awards 2025.

The Company has also been honoured as one of the 'Best Companies for Women in India' for the fifth consecutive year across all industries. TVSM has been recertified as a 'Great Place to Work' and received the 'Inclusive Workplace Excellence Award' from CII. TVSM is committed to fostering an equitable workplace, ensuring equal opportunities for women and Persons with Disabilities (PwD) in both white-collar and blue-collar roles across all plant locations. Currently, women constitute 17% of blue-collar employees and 13% of white-collar employees, while PwD employees comprise 3% of the workforce.

TVS IQL

The TVS Institute for Quality & Leadership (IQL) continues to play a pivotal role in strengthening cultural and collective capabilities to drive strategic execution and long-term sustainability by following a holistic talent development approach known as 'The TVS Way'. TVS IQL's commitment to learning and development has been recognised this year with the prestigious Brij Mohanlal Munjal Award for Learning & Development in the private-sector manufacturing category.

17%

Share of women among blue-collar employees at TVSM

13%

Share of women among white-collar employees

3%

Share of persons with disabilities among employees

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could affect the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government Regulations, Tax Laws, and Other Statutes, and incidental factors.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 (the Act, 2013) with respect to Directors' Responsibility Statement, it is hereby stated

- that in the preparation of annual accounts for the financial year ended 31st March 2025, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent to give a true and fair view of the situation of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the annual accounts for the financial year ended 31st March 2025 on a "going concern basis";
- that the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- that 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.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company recognises social responsibility as an integral and a critical part of its value system. Srinivasan Services Trust (SST), the CSR arm of TVS Motor Company, has been successfully driving positive change in rural communities.

In the last 29 years, SST's model has matured into one centred on community participation in all its projects. Today, SST works in 2,500 villages in the country. It follows an integrated, holistic and participatory approach to village development, working very closely with the communities and the Government.

SST's focus is to bring about sustainable development in villages through Total Community Involvement (TCI). Society building through the development of women and children, conserving water, providing holistic health and education by renovating the government infrastructure and preserving the environment are its focus areas. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from planning to execution of activities.

More than 60,000 women across the country have been organised into Self-Help Groups (SHGs), which empower the women socially and economically. Today, more than ₹125 crore of annual income is being generated by the women in Self-Help Groups.

In FY 2024-25, nine SHGs facilitated by SST have been honoured with the district level prestigious Manimegalai Award and 1 SHG was honoured with state level Manimegalai Award, introduced by Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2,000 government infrastructures, which includes anganwadis, schools, health centres and veterinary centres. Adopting this holistic integrated village development model, SST has partnered with organisations like Gramalaya, Agastya International Foundation, Villmart Education, Navsahyog Foundation, Shreeja Mahila Milk Producer Company, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to create impact in the villages we serve.

SST has ensured that more than 25,000 farmers have been benefitted by its water conservation projects like building and repairing water conservation structures, desilting tanks and channels and creating percolation ponds. Today, across the country, over 500+ water conservation projects have been implemented by SST. This has created additional water storage capacity of 160 crore litres.

SST also ensures last mile connectivity for the government social security, agriculture and livestock schemes to reach the unreached and underserved. Apart from renovating the Government health centres and conducting regular medical camps, SST runs 7 medical centres and 2 mobile medical vans in its working areas. Today, due to SST's interventions, more than 2 lakh patients annually have access to health care facilities.

SST has also afforested barren hillocks of over 14,000 acres, in the last three decades. SST is working with Tata Institute of Social Sciences (TISS), 4th Wheel Social Impact, Institute of Rural Management Anand (IRMA) and Chrysalis services to carry out social impact studies for the various projects it is undertaking in its working areas.

As required under Section 135 of the Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual Report on CSR, containing the particulars of the projects/programmes approved and recommended by the CSR Committee and approved by the Board for FY 2024-25 are given by way of Annexure IV attached to this Report.

SST has won the following awards in FY 2024-25

- 1st place for its 'Learning & Development' best practice at the 27th NHRD National Conference & 13th HR Showcase at Bengaluru on Feb 7-8, 2025.
- The CSR Universe Social Impact Awards 2024 under the 'Health' category for impactful health services to rural communities through SST Health Centres, Mobile Medical Vans, Health camps.
- The Gold award for 'Excellence in HR Digital Transformation' at the Economic Times Human Capital Awards MENA 2024.
- The CSR & Sustainability Award 2023 under the category of Excellence in Providing Healthcare Services by ASSOCHAM (The Associated Chambers of Commerce and Industry of India).

It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by the SST and other eligible trusts for the year 2025-26, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and also monitoring and reporting mechanism for the projects or programmes.

11. FINANCIAL PERFORMANCE OF SUBSIDIARIES & ASSOCIATES

11.1. Acquisitions

During the year under review, the Company has acquired / incorporated the following:

- **TVS MOTOR COMPANY DMCC,** wholly owned Subsidiary incorporated in Dubai [27 June 2024].
- **DriveX Mobility Private Limited (DriveX)** has become a subsidiary of the Company owing to additional acquisition of stake (39.43%), thereby increasing the holding to 89.40% [23 December 2024].
- **The Go Corporation, Switzerland (GO AG)** has become a wholly owned subsidiary of TVS Motor (Singapore) Pte Ltd and the Company, owing to additional acquisition of stake (8.26%) [26 March 2025].
- **EBCO Ltd, UK** has become a wholly owned subsidiary of TVS Motor (Singapore) Pte Ltd and the Company, owing to additional acquisition of stake (30%) [26, March 2025].

11.2. Disinvestments

- **Tagbox Pte. Ltd, Singapore ('Tagbox')**, ceased as an associate of TVS Digital Pte Ltd. **(TVS Digital)**, a step down wholly owned subsidiary and of the Company consequent upon extinguishment of entire stake of 24.32% held by TVS Digital on approval of the capital reduction scheme by Tagbox. [19 June 2024].
- **TVS Digital Limited (formerly known as TVS Housing Limited) ('TVS Digital')**, ceased to be a wholly owned subsidiary of the Company, owing to sale of its entire holding [16 September 2024].
- **Scienaptic Systems, Inc., (Scienaptic)** ceased to be an associate company of TVS Digital Pte Ltd. (TVS Digital), a step down wholly owned subsidiary and of the Company owing to redemption of part of the Preferred Stock [27 December 2024]. The remaining shareholding held by TVS Digital may be redeemed in one or more tranches, as per the terms of the Agreement.
- **Indian Foundation for Quality Management (IFQM)** ceased to be an Associate of the Company as the Company's shareholding had reduced below 20% upon further allotment of shares to other Investors. [effective 11 March 2025].
- **ION Mobility Pte. Ltd. (ION Mobility)** TVS Motor (Singapore) Pte Limited, a wholly owned subsidiary, has divested its stake in ION Mobility Pte. Ltd. ('ION'), an associate company of the Company.

As on 31st March 2025, the following companies and bodies corporate are the subsidiaries/associates of the Company:

11.3. Subsidiaries

- TVS Credit Services Limited (TVS CS), Chennai.
- Sundaram Auto Components Limited (SACL), Chennai.
- TVS Motor Services Limited, Chennai.
- TVS Electric Mobility Ltd, Chennai.
- PT TVS Motor Company Indonesia, Jakarta.
- TVS Motor (Singapore) Pte. Limited, Singapore (TVSM Singapore).
- TVS Motor Company (Europe) B.V., Amsterdam.
- TVS Motor Company DMCC, Dubai [from 27 June 2024].
- DriveX Mobility Private Limited, Coimbatore [from 23 December 2024].

11.4. Subsidiaries of TVS CS

- Harita ARC Private Limited, Chennai.
- Harita Two-wheeler Mall Private Limited, Chennai.
- TVS Housing Finance Private Limited, Chennai.

11.5. Subsidiaries of TVSM Singapore

- The GO AG, Zurich.
- Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG).
- The Norton Motorcycles Co Limited, UK.
- TVS Digital Pte Ltd, Singapore.
- EBCO Limited, UK.
- Celerity Motor GmbH, Germany.

11.6. Subsidiaries of GO AG

- EGO Movement, Stuttgart GmbH, Germany.

11.7. Subsidiaries of SEMG

- Swiss E-Mobility Group (Schweiz), Switzerland.
- Swiss E-mobility Group (österreich) Gmbh, Austria.
- Colag E-Mobility GmbH, Germany.
- Alexand'Ro Edouard'O Passion Vélo Sarl, Switzerland.

11.8. Associates

- Ultraviolette Automotive Private Limited, Bengaluru.

11.9. Associates of TVSM Singapore

- Killwatt GmbH, Germany.

11.10. Associates of TVS Digital Pte Ltd

- Predictronics Corp., USA.
- Altizon Inc, USA.

11.11. Subsidiaries' and Associates Performance

- **TVS Credit Services Limited (TVS CS)**

TVSCS is the retail finance arm of the Company for financing of two wheelers, used cars, used and new tractors, used commercial vehicles, consumer durables, digital finance products, emerging and corporate business loans and personal loans. Along with these, it started offering gold loans during this FY. TVS CS primarily caters to self-employed, new to credit borrowers in the semi-urban and rural areas in India.

During FY 2024-25, TVS CS's overall disbursements registered at ₹26,301 crore as compared to ₹25,108 crore in the previous year registering growth of 5%.

The book size of TVSCS registered a growth of 3% and is presently at around ₹26,647 crore. Total income during the FY 2024-25 grew by 14% at ₹6,630 crore from ₹5,795 crore during FY 2023-24. The PBT grew by 35% at ₹1,025 crore as against ₹762 crore during the previous year.

The following companies are the subsidiaries of TVS CS:

- Harita ARC Private Limited, Chennai
- Harita Two-wheeler Mall Private Limited, Chennai
- TVS Housing Finance Private Limited, Chennai

All the above subsidiaries are yet to commence their operations.

- **Sundaram Auto Components Limited (SACL)**

During the year under review, SACL, a wholly owned subsidiary of the Company, completed the sale of its injection moulded plastic component solutions division on 31st January 2025 and business of manufacturing of seats for two-wheelers on 22nd March 2025 as a going concern on a slump sale basis.

SACL earned a profit before tax of ₹15.5 crore including gain on sale of the undertakings during FY 2024-25 as against profit of ₹29 crore in the previous year.

SACL declared a interim dividend of ₹84/- per share on 1,19,37,422 equity shares of ₹10/- each for the year ended 31st March 2025 absorbing a sum of ₹100.27 crore.

With the objective of simplifying the group structure, it is proposed to consolidate the assets and liabilities of the SACL with the Company, its holding Company. The Board of Directors of SACL & TVSM have approved a Scheme of Amalgamation at their respective meetings held on 24th and 28th January 2025, subject to approval by the National Company Law Tribunal, Chennai Bench and other regulatory authorities. The Company is in the process of submission of the application with Hon'ble National Company Law Tribunal, Chennai Bench for approval of the Scheme of Amalgamation.

- **TVS Motor Services Limited (TVS MS)**

TVS MS was initially the investment Special Purpose Vehicle (SPV) of the Company, for funding TVS Credit Services Limited (TVS CS).

TVS MS continues to be a wholly owned subsidiary of the Company.

- TVS Electric Mobility Ltd, Chennai (TVSEM)

The Company was incorporated to undertake Electric Mobility business.

The entire shares of TVSEM have been subscribed by the Company and hence, TVSEM is a wholly owned subsidiary of the Company. The Company is yet to commence its operations.

- DriveX Mobility Private Limited (DriveX)

During the year under review, DriveX has become a subsidiary of the Company effective 23rd December 2024.

DriveX Mobility Private Limited ('DriveX') is engaged in the business of procurement, refurbishment and retailing of the pre-owned multi-brand two-wheeler motorcycles and scooters through its own stores (COCO) and through its franchisee dealers (FOFO). DriveX is also engaged in trading of spare parts, accessories and engine oils for two-wheelers. DriveX presently has 8 COCOs and around 50 FOFOs. DriveX has presence across India through its FOFOs but predominantly operates in the Southern part of India spreading Karnataka, Tamil Nadu and Pondicherry. DriveX has 2 refurbishment centres located in Hosur and Coimbatore.

During FY 2024-25, the Company earned revenue of ₹61 crore against revenue of ₹36.6 crore for FY 2023-24.

- **TVS Motor Company (Europe) B.V.**

TVS Motor Company (Europe) B.V. was incorporated with a view to serve as special purpose vehicle for making and protecting the investments made in overseas operations of PT TVS.

- **TVS Motor (Singapore) Pte. Ltd**

TVS Motor (Singapore) Pte Limited, is a wholly owned subsidiary of the Company. During the year, the

Company has invested a sum of $175.84 million in the ordinary shares.

The Company serves as a special vehicle for investments made in overseas subsidiaries/associates.

- **TVS Motor Company DMCC, Dubai**

The Company has incorporated a wholly owned subsidiary in Dubai viz., TVS Motor Company DMCC, Dubai ('TVSM DMCC') on 27th June 2024. The purpose of this subsidiary is to leverage and grow the international business by efficiently serving the MENA (Middle East and North Africa) region.

- **TVS Digital Pte Ltd, Singapore**

TVS Digital Pte Limited, Singapore is a wholly owned subsidiary of TVS Motor (Singapore) Pte. Ltd. The Digital start-up offers a range of solutions across their Auto-tech and Fintech platforms.

During FY 2024-25, the Company earned revenue of ₹8.93 crore against revenue of ₹14.28 crore for FY 2023-24. The Company incurred a net loss of ₹69.25 crore during FY 2024-25 as against a net loss of ₹67.68 crore in the previous year.

- **PT TVS Motor Company Indonesia (PT TVS)**

During the financial year, PT TVS two-wheeler sales grew by 19.3%, standing at 0.14 million units as against 0.12 million units during the previous financial year, and three-wheeler sales is at 4,727 units as against 6,949 units during the previous financial year. During the year PT TVS reported operating EBITDA of $8 million as against $8.3 million during the last year.

- **Swiss E-Mobility Group (Holding) AG (SEMG)**

The Swiss E-Mobility Group (SEMG), a wholly owned subsidiary of TVS Motor (Singapore) Pte Ltd, along with its subsidiaries Swiss E-Mobility Group (Schweiz), AG, Switzerland, Swiss E-Mobility Group (Osterreich) GmbH, Austria and Colag E-Mobility GmbH, Germany and Alexand'Ro Edouard'O Passion Velo Sarl, operates in the DACH (Germany, Austria and Switzerland) region with a focus on e-bikes through its retail chain, m-way, and two e-commerce platforms. SEMG offers a diverse range of e-bike brands, including Cilo, Simpel, and Allegro, and holds about 16% market share in Switzerland.

In CY 2024, SEMG reported revenues of CHF 57.3 million amidst tough market conditions in Europe. For CY2026, the Company aims to enhance operational efficiency and expand its B2C and B2B segments, launching new products for the European and International markets.

SEMG is adapting to trends in personal mobility by promoting various e-bike categories, such as e-city, e-urban, e-trekking, e-mountain, and e-cargo bikes. SEMG's strategic initiatives position it well to become a profitable player in the sustainable transportation sector.

- **The GO Corporation, Switzerland (the GO AG)**

GO AG is a Swiss technology company providing innovative mobility solutions through a portfolio of e-bikes, e-cargo bikes and matching accessories.

In CY2024, the GO Corporation group reported a revenue of CHF 3.19 million as against a revenue of CHF 4.9 million in CY2023. In CY 2025, GOAG is proposing to launch new products under its EGO MOVEMENT brand for European and International markets.

During the year, the GO AG has become a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited on its acquisition of the remaining stake from the existing shareholder.

- **EBCO Ltd, UK (EBCO)**

EBCO Ltd., a British company providing mobility solutions through e-bikes across the Adventure, Urban and City bikes segments. EBCO offers innovative and high-quality e-bikes in the UK market.

During FY 2024-25, EBCO reported a revenue of GBP 1.14 million as against GBP 0.8 million during FY 2023-24. The business remains affected by the overall market conditions and excess inventory in the industry. With its actions on reducing inventory, the introduction of new products and adding retail partners, EBCO is well placed to capture additional market share in FY 2025-26.

During the year, EBCO has become a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited on its acquisition of the remaining stake from the existing shareholder.

The market for e-bikes represents 30% of all bicycles sold in Europe. CY 2025 is expected to be a transition year with growth returning in CY 2026 as the industry continues to address challenges of excess inventory and excessive discounting. The revenue from sales of E-bikes is expected to reach $23 billion by 2029 growing at a CAGR of approximately 4%. Over the past decade, the personal mobility landscape has evolved significantly with the global sustainability agenda, increasing urbanisation and advancement in battery technology.

- **The Norton Motorcycle Co Limited, UK (Norton)**

Since acquiring Norton in 2020, the Company has established a strong foundation by setting up a state-of-the-art facility and a dedicated engineering and design centre to drive Norton's growth. In FY 2023-24, Norton celebrated its 125-year legacy with the launch of special edition models.

The premium and super-premium motorcycle markets are expected to see consistent growth, and Norton is positioning itself as a formidable player with a robust product pipeline nearing market readiness.

Over the next eight quarters, the Company will continue to invest strategically, leveraging its engineering, design, development, and supply chain capabilities to deliver high-quality products efficiently and cost-effectively.

TVS Motor has committed investment in new product development, facilities, research and development and world-class quality engineering. The new Norton motorcycles will follow the Company's philosophy of 'Design, Dynamism, and Detail'. Exciting product launches are being planned, with six new models planned over the next three years. As part of this,

Norton is preparing for international expansion with an initial focus on USA, Germany, France, Italy and India.

- **Ultraviolette Automotive Private Limited (UV)**

UV incurred a loss of ₹152.11 crore in FY 2024-25 as against loss of ₹59.52 crore in the previous FY 2023-24. UV is a startup company engaged in developing electric mobility solutions.

- **Predictronics Corp, (Predictronics) USA**

Predictronics, an associate of TVS Digital Pte Limited, is a start-up company engaged in predictive analytics solution for critical assets, vertical software for industrial robots and consulting services.

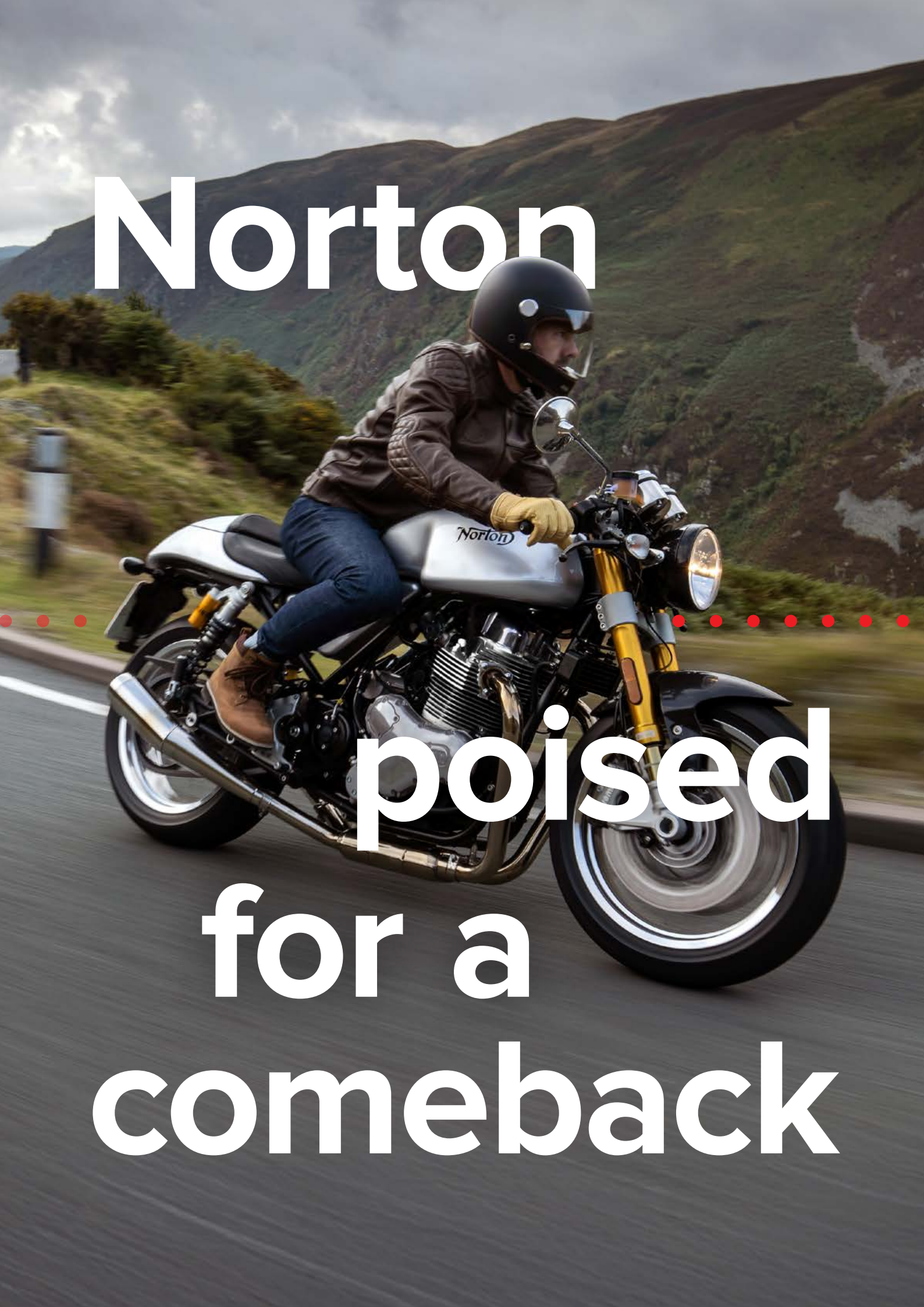
Revenue of Predictronics was at ₹2.8 crore in FY 2024-25 and incurred a loss of ₹2.0 crore in FY 2024-25.

- **Altizon Inc, (Altizon) USA**

Altizon, an associate of TVS Digital Pte Limited, is a start-up company which provides industrial IoT solutions and helps enterprises use machine data to drive business decisions. Total income of Altizon was at ₹12.1 crore in FY 2024-25 and incurred a loss of ₹3.4 crore in the year 2024-25.

- **Killwatt GmbH**

Killwatt GmbH engaged in development, design, manufacture, sale and distribution of high-tech products and components in the field of personal e-mobility, inter alia two wheeler and three wheeler vehicles. Total income of Killwatt was at ₹28.17 crore in FY 2024-25 and incurred a loss of ₹6.12 crore in the FY 2024-25.



Norton poised for a comeback

NORTON
COMMANDO 961
(Left)

NORTON V4SV
(Right)

12. KEY FINANCIAL RATIOS

There was a significant change in Debt Service Coverage ratio and Return on Net worth reflecting improvement in operational performance and reduction in repayable debts in arriving Debt Service Coverage.

In Compliance with Regulation 34 of the Listing Regulations, the details of changes in the Key Financial Ratios are:

Ratios	UoM	Standalone		Consolidated	
		2024-25	2023-24	2024-25	2023-24
Debt Service Coverage ratio	Times	**5.4**	2.5	**2.92**	1.50
Return on Net worth	%	**30.7**	30.2	**29.3**	27.45

13. DEBENTURES

- **Non-Convertible Debentures (NCDs)**

The Company had earlier issued and allotted 12,500 Rated, Unsecured, Redeemable, Floating Rate, NCDs having a face value of ₹1,00,000/- each aggregating to ₹125 crore (Rupees one hundred and twenty-five crore only) on 14th March 2023 and the same were listed on the National Stock Exchange of India Limited on 15th March 2023. The above NCDs were issued at a coupon rate i.e., sum of Benchmark Rate (Repo Rate as declared by RBI) and spread of 140 basis points and the same redeemable at the end of 3rd year.

No NCDs were raised during FY 2024-25.

- **Employees Stock Option Plan**

The Board at its meeting held on 20th March 2024, based on the recommendation of the Nomination and Remuneration Committee, approved the adoption of 'TVS Motor Company Employee Stock Option Plan' ("ESOP Plan") by way of secondary acquisition of fully paid-up equity shares of the Company having face value of ₹ 1/- ("Equity Shares") through establishment of TVSM Employees Stock Option Trust ("Trust") with a view to reward, attract, motivate and retain employees of TVS Motor Company Limited ("TVSM/Company") and the same was approved by the shareholders vide a special resolution on 10th May 2024.

The total pool of maximum number of Equity Shares that could be granted under the ESOP Plan to the Eligible Employees up to a maximum of 0.25% (zero point two five percent) of the paid-up equity share capital as on 31st December 2023 i.e. 11,87,717 equity shares of ₹1/- each, which may be adjusted for any corporate action(s) in terms of the Plan.

Post approval of the Shareholders, a Trust with the name of TVSM Employees Stock Option Trust has been set up by the Company on 28th May 2024 for purchasing/ acquiring the equity shares of the Company through secondary acquisition from the market for the purposes of administering and implementing the TVS Motor Company Employee Stock Option Plan.

There would be no equity dilution for the shareholders of the Company as the ESOP Plan is by way of acquisition of Equity Shares from the secondary market and shall be administered through TVSM Employees Stock Option Trust.

Nomination and Remuneration Committee of the Company ("NRC") at its meeting held on 5th July 2024 has granted 3,51,000 employee stock options ("Options") in accordance with the Plan to the identified employees of the Company ("Eligible Employees") which would entitle such Eligible Employee to acquire equity shares of the Company ("Shares") at a predetermined price provided that the vesting conditions are thereby fulfilled.

The details of the ESOP, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations) are available on the Company's website in the link as provided in page no. 208 of this Annual Report. There has been no material change to the Plan which was approved by the shareholders and the Plan is in compliance with the SBEB Regulations.

The certificate from the Secretarial Auditor in accordance with Regulation 13 of the SBEB Regulations, has been uploaded on the Company's website at the link provided in page no. 208 of this Annual Report. Furthermore, the Company has adhered to the applicable accounting standards in this regard.

- **SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND ITS SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 FOR ISSUE OF BONUS REDEEMABLE PREFERENCE SHARES**

The Company has built up substantial surplus reserves, from its retained profits. The surplus reserves are well above the Company's current and likely future business needs. Overall reserves position is expected to improve further even after considering cash requirements for Company's capex programme and working capital requirements.

Accordingly, the Company is of the view that these excess funds can be optimally utilised to reward its shareholders. At the same time, in keeping with Company's tradition of conventional cash management and being mindful of the challenging business environment, the Company is of the view that it would be prudent to retain liquidity as well. Accordingly, the Company has proposed, inter alia, to distribute such funds amongst its shareholders, by issuing fully paid up listed non-convertible redeemable preference shares (NCRPS) by way of bonus.

Upon approval of the Scheme of Arrangement by Hon'ble National Company Law Tribunal, (NCLT), the Company shall issue 4 NCRPS of face value of ₹10 each fully paid up, for every 1 equity share of ₹ 1 each fully paid up held by equity shareholder of the Company, which will be listed on both the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited. The issue size is ₹1,900.35 crore. The NCRPS shall be redeemed on the expiry of 12 months from the date of allotment, and these NCRPS will carry a coupon rate of 6% per annum and payable at the time of redemption.

Based on the order dated 21st February 2025 of the NCLT, the Company has convened the meetings of the Equity shareholders and the unsecured creditors on 12th April 2025 and obtained the approval for the Scheme of Arrangement. As per the NCLT order, the meeting of Secured creditors has been dispensed with based on their consent. The Company has filed the petition along with the approval of the shareholders' before NCLT for seeking final sanction of the scheme and the same is awaited.

14. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Act, 2013 read with the Companies (Accounts) Rules, 2014 and the Listing Regulations along with a separate statement containing the salient features of the financial performance of subsidiaries/associates in the prescribed form. The audited consolidated financial statements together with the Auditors' Report form part of the Annual Report.

The financial statements of the subsidiary companies will be made available to the Shareholders, on receipt of a request from any Shareholder. The financial statements of the subsidiaries have also been placed on the website of the Company. This will also be available for inspection by the Shareholders at the Registered Office during business hours as mentioned in the Notice of AGM.

The consolidated Profit Before Tax of the Company and its subsidiaries & associates amounted to ₹ 3,527.84 crore for the financial year 2024-25 as compared to ₹ 2,702.92 crore in the previous year.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL

- **Directors' appointment/re-appointment/cessation**

In terms of the provisions of sub-section (6) read with explanation to Section 152 of the Act, 2013, two-thirds of the total number of Directors i.e., excluding IDs, are liable to retire by rotation and out of them, one-third is liable to retire by rotation at every AGM. Accordingly, Mr Venu Srinivasan and Prof Sir Ralf Dieter Speth, Directors who have been the longest in office, are liable to retire by rotation at the ensuing AGM.

Mr Venu Srinivasan, Director, being eligible, offers himself for re-appointment and the same has been recommended by the Board.

Prof Sir Ralf Dieter Speth, has requested not to consider his re-appointment at the ensuing AGM and will cease to be Director and consequently as Chairman of the Company effective the close of business hours on the date of the ensuing AGM to be held on 22nd August 2025. The same was noted by the Board.

- **Elevation of Mr Sudarshan Venu as Chairman of the Company**

The Board of Directors at its meeting held on 5th June 2025, approved the elevation of Mr Sudarshan Venu as the Chairman of the Company effective 25th August 2025 in recognition of his exemplary contributions to the Company's sustained growth and strategic development during his tenure as Director.

Mr Sudarshan Venu will be designated as Chairman and Managing Director effective 25th August 2025.

- **Independent Directors (IDs)**

All IDs hold office for a fixed term of five years and are not liable to retire by rotation.

The terms of appointment of IDs include the remuneration payable to them by way of fees and profit-related commission, if any.

The terms of IDs cover, inter-alia, duties, rights of access to information, disclosure of their interest/concern, dealing in Company's shares, remuneration and expenses, insurance and indemnity. The IDs are provided with copies of the Company's policies and charters of various committees of the Board.

In accordance with Section 149(7) of the Act, 2013, all IDs have declared that they have met the criteria of independence as provided under Section 149(6) of the Act, 2013 and Regulation 25 of the Listing Regulations and the Board confirms that they are independent of the management.

The detailed terms of appointment of IDs is disclosed on the Company's website in the link as provided in page no 208 of this Annual Report.

All the IDs are registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Companies Act, 2013 and obtained ID registration certificate and renewed the same for five years/lifetime, as the case may be.

- **Appointments**

The Board at its meeting held on 20th March 2024 had appointed Mr Vijay Sankar and Mr Shailesh Haribhakti, as Non- Executive Independent Directors (NE-ID) on the board, on the recommendation of the Nomination and Remuneration Committee, for a term of five consecutive years effective 20th March 2024 and 1st April 2024 respectively and the shareholders have approved their appointment on 10th May 2024 by way of a special resolution through Postal Ballot.

- **Cessation**

M/s. C R Dua and Hemant Krishan Singh ceased to be IDs of the Company upon completion of their second term of 5 consecutive years effective 13th July 2024. Mr Kuok Meng Xiong, Independent Director has expressed his inability to continue as a Director on the Board due to his increasing business commitments & personal reasons and resigned from the Board effective close of the business hours of 6th August 2024. Dr Lakshmi Venu has not sought re-appointment at the AGM held in 2024 and thereby ceased as a Director effective close of the business hours of 6th August 2024.

- **Separate meeting of Independent Directors (IDs)**

During the year under review, a separate meeting of IDs was held on 6th March 2025.

Based on the set of questionnaires, complete feedback on Non-Independent Directors and details of various activities undertaken by the Company were provided to IDs to facilitate their review/evaluation.

a) Non-Independent Directors (Non-IDs)

IDs used various criteria prescribed by the Nomination and Remuneration Committee (NRC) for evaluation of Executive Directors viz., M/s. Venu Srinivasan, Sudarshan Venu , K N Radhakrishnan and Non - Executive Director viz., Prof Sir Ralf Dieter Speth, Director and also as Chairman of the Board and the Board as a whole, for the FY 2024-25.

IDs evaluated the performance of all Non-IDs individually, through a set of questionnaires.

IDs reviewed the Major events and milestones achieved by the Company during the year 2024-25 and products launched, major acquisitions & strategic partnerships and awards & accolades received and the comparative data on financial/market cap for the year 2024-25.

They also reviewed the developing strategic plans aligned with the vision and mission of the Company, displaying leadership qualities for seizing the opportunities and priorities, developing and executing business plans aware of the risks involved, establishing an effective organisational structure, and demonstrating high ethical standards and integrity and commitment to the organisation besides participation at the Board/Committee meetings, effective deployment of knowledge and expertise and constructive comments/guidance provided to management by the Non-IDs.

IDs appreciated and recorded that: Mr Venu Srinivasan, in his capacity as Chairman Emeritus plays a crucial role in guiding the Company, as well as he is pivotal in setting new standards in quality and innovation. His leadership has been instrumental in shaping TVS Motor Company into a globally recognised brand. His dedication to the transformation of rural India by empowering women in the rural areas can be seen through his passion towards setting up the Srinivasan Services Trust which has touched the lives of 1.6 million people in 2,500 villages across the country in the last 29 years was well appreciated.

Mr Sudarshan Venu, Managing Director has set his vision of transforming the Company into a leading global mobility player and to this effect, he has set in motion global expansion through both organic and inorganic means. He has been pivotal in driving the Company's overall growth and successfully spearheaded the growth initiatives in key markets such as Africa, ASEAN and Latin America, solidifying Company's presence in Global markets.

Mr K N Radhakrishnan, Director & CEO consistently delivers improved results year after year, setting a strong example for the senior management team. His vast industry knowledge and collaborative approach foster strong internal teamwork. He excel at simplifying complex information for Board comprehension. His commitment, and thorough understanding of company strategies, performance, and markets enable to effectively fulfil all Board-assigned functions.

IDs were satisfied fully with the performance of all Non-IDs.

b) Chairman

IDs reviewed the performance of the Chairman of the Board.

IDs also placed on record, their appreciation of the Chairman's exemplary leadership skills, exceptional vision, and unwavering dedication, Instrumental in leading the Company through a period of significant transformation, providing both strategic guidance and strong leadership to the Board of Directors and leverages his extensive experience to steer board discussions and decisions that maximise value for the Company and its shareholders.

They also recorded their satisfaction with the Chairman's encouragement for participation by all board members, which led to insightful discussions.

IDs also noted that his vast experience to bear on steer Board discussions and decisions for the benefit of the Company and Shareholders.

c) Board

IDs also evaluated the Board's composition, size, the mix of skills and experience, meeting sequence, the effectiveness of discussion, decision-making, and follow up action, to improve governance and enhance the personal effectiveness of Directors.

The evaluation process focused on Board Dynamics. The Company has a Board with a wide range of expertise in all aspects of business and outstanding diversity of the Board with the presence of varied personalities with an expert in each domain viz., Engineering, Finance, Marketing, Legal, Information Technology, Administration and International trades and is well balanced with the addition of directors, with domestic and international experience and also from new industries

The Company's management is well guided by the Non-Executive Directors; and Board benchmarks well in terms of its overall composition and the value it adds to the business.

As far as shareholders' interest is concerned, IDs noted that a proper system has been established to ensure that the Company is prompt, relevant and transparent.

They were satisfied with the Company's performance in all fronts and finally concluded that the Board operates with best practices. Board composition of the Company follows the SEBI Listing Regulations and ahead of the benchmark as per the Corporate Governance Scorecard in overall position.

d) Quality, Quantity and Timeliness of flow of information between the Company, Management and the Board

All IDs have expressed their overall satisfaction with the support received from the management and the excellent work done by the management during the year under review and that the relationship between the top management and Board is smooth and seamless.

The Company follows the statutory requirements under both the Companies Act and the Listing Regulations and all the information provided to the Directors are very wholesome.

The information provided for the meetings were clear, concise and comprehensive to facilitate detailed discussions and periodic external presentations on specific areas well supplemented the management inputs. The emerging e-technology was duly incorporated in the overall review of the Board.

Key Managerial Personnel (KMP)

Mr Venu Srinivasan, Chairman Emeritus and Managing Director, Mr Sudarshan Venu, Managing Director, Mr K N Radhakrishnan, Director & Chief Executive Officer, Mr K Gopala Desikan, Chief Financial Officer and Mr K S Srinivasan, Company Secretary are KMPs of the Company in terms of Section 2(51) read with Section 203 of the Act, 2013 as on date of this Report.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of Directors (NRC) reviews the composition of the Board to ensure an appropriate mix of abilities, experience and diversity to serve the interests of all stakeholders of the Company.

Nomination and Remuneration Policy was initially approved by the Board at its meeting held on 23rd September 2014 and was amended by the Board at its meeting held on 20th March 2024 to maintain consistency with statutory amendments to make it up to date and more comprehensive.

The objective of such policy shall be to attract, retain and motivate executive management and devise remuneration structure to link to Company's strategic long-term goals, appropriateness, relevance, and risk appetite.

NRC will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate will bring to the Board/Company, whenever the need arises for appointment of Directors/KMP.

Criteria for performance evaluation, disclosures on the remuneration of Directors, criteria of making payments to Non-Executive Directors have been disclosed as part of Corporate Governance Report attached herewith.

Remuneration payable to Independent Directors

The Shareholders have provided approval for renewal of the payment of remuneration, by way of commission not exceeding 1% of the Net profits, in aggregate, payable to the Independent Directors of the Company (IDs) every year.

IDs devote considerable time in deliberating the operational and other issues of the Company and provide valuable advice in regard to the management of the Company from time to time, and the Company also derives substantial benefit through their expertise and advice.

Evaluation of the Independent Directors and Committees of Directors

In terms of Section 134 of the Act, 2013 and the Corporate Governance requirements as prescribed under the Listing Regulations, the Board reviewed and evaluated Independent Directors and various Committees viz., Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility

Committee and Stakeholders Relationship Committee, based on the evaluation criteria laid down by the NRC.

The Board has carried out the evaluation of all Directors (excluding the Director being evaluated) and its committees through a set a questionnaire.

Independent Directors

The performance of all IDs was assessed against a range of criteria such as contribution to the development of business strategy and performance of the Company, understanding the major risks affecting the Company, clear direction to the management and contribution to the Board cohesion. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

The IDs were always kept informed of the constitution of robust framework for the Company and group companies against cyber threats and mitigation plans against cyber-attacks for business continuity.

They also kept abreast of risk mitigation plans and International Business Industry Risk on account of forex shortage and currency depreciation.

The Board noted that all IDs have understood the opportunities and risks to the Company's strategy and are supportive of the direction articulated by the management team towards consistent improvement.

Based on the report of performance evaluation of directors, the Board noted and recorded that all the directors should extend and continue their term of appointment as Directors/ Independent Directors, as the case may be.

Committees

The Board delegates specific mandates to its committees, to optimise Directors' skills and talents besides complying with key regulatory aspects.

- Audit Committee for overseeing financial reporting.
- Risk Management Committee for overseeing the risk management framework.
- Nomination and Remuneration Committee for selecting and compensating Directors/Employees.
- Stakeholders' Relationship Committee for redressing investors' grievances; and
- Corporate Social Responsibility Committee for overseeing CSR initiatives and inclusive growth.

The performance of each Committee was evaluated by the Board after seeking inputs from its members on the basis of specific terms of reference, its charter, time spent by the Committees in considering key issues, quality of information received, major recommendations/action plans and work of each Committee.

The Board is satisfied with overall effectiveness and decision making of all Committees. The Board reviewed each Committee's terms of reference to ensure that the Company's existing practices remain appropriate.

Directors continues to devote such time as is necessary for the proper performance and effectively discharge their duties, all of them to devote appropriate time to fulfil their duties.

Board and its Committees has an appropriate combination of skills, experience and knowledge.

The current committees' structure was considered effective, and all the committees of the Board were considered to be working effectively.

Recommendations from each Committee were considered and accepted by the Board prior to its implementation during the financial year under review.

Details of Committees, its charter and functions are provided in the Corporate Governance Report.

Number of Board meetings held

During the financial year 2024-25, the Board met five times and details of the meetings are provided as part of Corporate Governance Report prepared in terms of the Listing Regulations.

16. AUDITORS

Statutory Auditors

M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, having Firm Registration No. 004207S allotted by The Institute of Chartered Accountants of India, were appointed as statutory auditors of the Company for the first term of five consecutive years from the beginning from AGM 2023 till the conclusion of 36th AGM.

The Auditors' Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark and the same is attached with the annual financial statements.

Secretarial Auditors

As required under Section 204 of the Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company.

The Secretarial Audit Report for the financial year 2024-25, given by M/s Sriram Krishnamurthy & Co. (Formerly known as S Krishnamurthy & Co.), Company Secretaries, Chennai is attached to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or other remarks.

Pursuant to SEBI Listing Regulations, an individual may be appointed for a term of 5 years and a firm may be appointed for a maximum of 2 terms of 5 years each subject to the approval of shareholders in a general meeting. Accordingly, the Board at its meeting held on 28th April 2025 has appointed M/s Sriram Krishnamurthy & Co. (Formerly known as S Krishnamurthy & Co.) Company Secretaries, Chennai having Firm registration Number P1994TN045300 allotted by the Institute of Company Secretaries of India as Secretarial Auditors for a term of five consecutive years from FY 2025-26 subject to the approval of the shareholders at the ensuing AGM. Brief Details of the profile of the Secretarial Auditors is enclosed as part of the notice convening the AGM.

Cost Auditor

As per Section 148 of the Act, 2013 read with the Companies (Cost Records and Audit) Rules 2014, as amended, the cost audit records maintained by the Company in respect of its engine components manufactured by the Company in accordance with the respective head covered under Customs Tariff Act heading in Table B to Rule 3 of the above rules, are required to be audited by a Cost Auditor.

M/s C S Adawadkar & Co, Practising Cost Accountant, having Registration No. 100401 allotted by The Institute of Cost Accountants of India, was appointed as Cost Auditor of the Company for the FY 2024-25 for conducting the cost audit at a remuneration ₹8 lakh has been fixed by the Board as remuneration in addition to reimbursement of applicable taxes, out-of-pocket expenses, travelling and other expenses payable to them.

The Company has filed the Cost Audit Report of 2023-24 on 13th August 2024 in XBRL format with the statutory authorities.

Further, the Board of Directors at their meeting held on 28th April 2025, re-appointed them as Cost Auditor of the Company on the same remuneration payable to them for the financial year 2025-26, subject to ratification by the Shareholders of the Company.

The Company has received consent from M/s. C S Adawadkar & Co., Practicing Cost Accountants, to serve as Cost auditor of the Company for the financial year 2025-26.

The Company has also received necessary certificate under Section 141 of the Act, 2013 from them conveying their eligibility to act as a Cost Auditor.

17. CORPORATE GOVERNANCE

The Company has been practicing the principles of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations is given as Annexure VII to this Report.

The Director & Chief Executive Officer (D & CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board on financial statements and other matters in accordance with the Regulation 17 (8) of the Listing Regulations pertaining to CEO / CFO certification for the financial year ended 31st March 2025.

18. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ('BRSR'). The BRSR seeks disclosure on the performance of the Company against nine principles of the "National Guidelines on Responsible Business Conduct' ('NGRBCs').

As per the SEBI Circulars, effective from the financial year 2024-25, filing of BRSR is mandatory for the top 1,000 listed companies by market capitalisation. Accordingly, for the financial year ended 31st March 2025, Company has published BRSR, in the prescribed format is given as Annexure VI to this Report and is available on the Company's website in the link as provided in page no. 208 of this Annual Report.

19. POLICY ON VIGIL MECHANISM

The Company has adopted a Policy on Vigil Mechanism in accordance with the provisions of the Act, 2013 and Regulation 22 of the Listing Regulations, which provides a formal mechanism for all Directors, Employees and other Stakeholders of the Company to report to the management, their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics.

The Code also provides a direct access to the Chairman of the Audit Committee to make protective disclosures to the management about grievances or violation of the Company's Code.

The Company is committed to fostering a transparent and ethical work environment where concerns regarding

unethical behaviour, fraud, or violations of law can be raised without fear of retaliation. As part of this commitment, the Company has established a Vigil Mechanism and a Whistleblower Policy.

The key features of the Vigil Mechanism and Whistleblower Policy are as follows:

1. **Purpose and Objective:** The Vigil Mechanism is designed to allow employees and other stakeholders to report any concerns or instances of unethical behaviour, illegal acts, or misconduct within the organisation. This includes violations of the Company's Code of Conduct, financial fraud, unethical practices, and any behaviour that could harm the Company's interests or reputation.

2. **Confidentiality and Protection:** The Company ensures that all whistleblowers are protected from any form of retaliation, discrimination, or harassment. Reports can be made confidentially, ensuring that the identity of the whistleblower is kept confidential unless disclosure is required by law.

3. **Reporting Process:** The Company provides a designated channel through which employees and stakeholders can report concerns. The process is structured to ensure that all issues are addressed in a timely, impartial and thorough manner.

4. **Non-Retaliation Policy:** The Company has a strict non-retaliation policy in place, ensuring that any whistleblower who reports concerns in good faith will not face any adverse consequences, and their identity will remain protected throughout the process.

The Company encourages all stakeholders to actively participate in this mechanism, contributing to a culture of integrity, transparency, and accountability

The Policy is disclosed on the Company's website in the link as provided in page no. 208 of this Annual Report.

20. PUBLIC DEPOSITS

The Company has not accepted any deposit from the public within the meaning of Section 76 of the Act, 2013, for the year ended 31st March 2025.

21. STATUTORY STATEMENTS

Information on conservation of energy, technology absorption, foreign exchange, etc:

Relevant information is given in Annexure I to this Report, in terms of the requirements of Section 134(3)(m) of the Act, 2013 read with the Companies (Accounts) Rules, 2014.

Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the year and till the date of the Report:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company:

There are no significant and material orders passed by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company and its future operations.

Annual Return:

Copy of the Annual Return (Annexure II) in prescribed form is available on the Company's website in the link as provided in page no. 208 of this Annual Report, in terms of the requirements of Section 134(3)(a) of the Act, 2013 read with the Companies (Accounts) Rules, 2014.

Employees' remuneration:

Details of Employees receiving the remuneration in excess of the limits prescribed under Section 197 of the Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure III. In terms of first proviso to Section 136(1) of the Act, 2013 the Annual Report, excluding the aforesaid annexure is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company during business hours as mentioned in the Notice of AGM and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

Comparative analysis of remuneration paid:

A comparative analysis of remuneration paid to Directors and Employees with the Company's performance is given as Annexure V to this Annual Report.

Details of related party transactions:

There are no material related party transactions under Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Details of loans/guarantees/investments made:

The Company has not given any loans and guarantees under Section 186 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2024-25 to any other body corporates. On loans granted to the Employees, the Company has charged

interest as per its policy, in compliance with Section 186 of the Act, 2013.

Reporting of fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards as amended from time to time.

General Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

a. issue of equity shares with differential rights as to dividend, voting or otherwise.

b. Issue of shares (including sweat equity shares) to employees of the Company.

c. pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and

d. instance of one-time settlement with any bank or financial institution.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), as amended, Company has a robust mechanism in place to redress complaints reported under it. Company has complied with provisions relating to the constitution of Internal Committee under POSH. The Internal Committee (IC) comprises of internal members and external member who has an extensive experience in the field.

a.	number of complaints filed during the financial year:	11
b.	number of complaints disposed of during the financial year:	10
c.	number of complaints pending as on end of the financial year:	1

During the year 2024-25, initiatives were undertaken to demonstrate Company's zero tolerance policy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material. In addition, online workshops were also run for the employees to enhance awareness and knowledge.

22. ACKNOWLEDGEMENT

The Directors gratefully acknowledge the continued support and co-operation received from the holding Company viz., TVS Holdings Limited, Chennai. The Directors also thank all partners, the bankers, investing institutions, customers, dealers, vendors and sub-contractors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the very good work done by all the employees of the Company during the year under review. The Directors also thank the investors for their continued faith in the Company.

For and on behalf of the Board of Directors

PROF SIR RALF DIETER SPETH

Bengaluru
5th June 2025

Chairman
DIN : 03318908

Annexure I

to Directors' Report to the Shareholders – 2024-25

Information pursuant to Section 134(3)(m) of the Companies Act, 2013

A CONSERVATION OF ENERGY

1. Measures taken in the year 2024-25:

I. Optimal utilization of plant and equipment.

II. Alternate source of wind power with banking facility

III. Implementation of fixed load reduction by energy efficient projects (EC (Electronically Commutated) fan, Compressor pressure band optimization and waste heat recovery system).

IV. Maximize Green power purchase from Indian Energy Exchange (IEX)

V. Alternate method for fuel-based heating system into electrical based heating system in cooking process

VI. Implementation of alternate fuel - Natural gas for heating process

Above measures have resulted in an annual saving of approximately ₹ 5.1 Cr.

2. Proposed measures during the year 2025-26:

I. Improve process plant utilization and equipment efficiency.

II. Green Power purchase from IEX in all locations.

III. Implementation of energy efficient projects.

IV. Convert fuel-based heating system into electrical based heating system.

V. Implementation of waste heat recovery system, Heat pump and EC fan

Above measures are expected to yield an annual saving of ₹ 6.8 Cr. (Approx.)

3. Steps taken for utilizing alternate sources of energy - 2024-25:

The renewable power contributes to 95.32% of overall power. In that, 70.6 % of energy from Wind, 8.1 % from inhouse roof top solar plant, 7.6 % from 3rd party green power through IEX and 8.9% of energy offset by i-REC.

4. Capital investment in energy conservation equipment:

During 2024-25, the Company had focused on utilization improvement of process plants, implementation of energy efficient projects such as Heat pump, Compressed air optimization projects, conversion of fuel-based heating system into electrical heating system of operation, EC fan, Energy efficient filter implementation, waste heat recovery system implementation to reduce fixed load and carbon footprint.

The Company is planning to invest around ₹ 8.9 crore during 2025-26 towards implementing heat pumps, Waste Heat recovery system and implementation of planned energy efficient projects and process utilisation improvement projects.

B Technology Absorption for 2024-25 & Future plan of action

During the year 2024-25 the Company continued to focus on clean, connected and technologically advanced mobility solutions for global markets, enabled by innovation and technology that is cutting-edge.

During the year 2024-25, New TVS Apache RR 310, crafted from a record-breaking race machine, with enhanced performance and segment leading technologies was launched. This motorcycle is equipped with advanced rider safety system packaged as RT-DSC such as cornering ABS, Cornering Cruise Control, Cornering traction control, Wheelie control, Slope dependent control, rear lift-off control along with technology features like Bi-directional Quickshifter, Aerodynamic winglets, Cruise control that enhanced the exhilarating customer experience.

TVS Motor unveiled the next-generation RT-XD4 engine platform in December 2024, loaded with cutting-edge patented technologies which will enable this engine to serve the future aspirations of performance motorcycling.

Another main steam key product TVS Jupiter 110, launched during this year, comes with very modern futuristic design and notable features like ISS, iGO Assist, smartX connect technology for Bluetooth navigation, digital console and more storage space.

This product is already a big success in the market, driven by customer's deep appreciation of its Design appeal, the technologies that serve practical purpose and significantly elevate the value perception.

TVS KING EV Max, an electric 3W was also launched this year. This product is the industry first connected technology vehicle with high performance, best-in-class power, best in class comfort, safety and convenience

Our R&D team continues to challenge the boundaries of current possibilities through cutting-edge innovation and aspires to continuously raise the bar of excellence around Electric mobility, Smart connected vehicles, product experience and safety.

C. DATA RELATING TO IMPORTED TECHNOLOGY

Technology imported during the last 3 years reckoned from the beginning of the financial year – NIL

Expenditure on Research & Development – ₹ 1,024.95 crore

D. Foreign Exchange Actual Earnings and Outgo

1. Export activities:

During the year, export of two-wheeler was 10.90 lakh units and three-wheeler was 1.06 lakh units.

2. Total foreign exchange earned and used:

Particulars	Rupees in Crores
Foreign exchange used	4,271.67
Foreign exchange earned	8,979.63

For and on behalf of the Board of Directors

PROF. SIR RALF DIETER SPETH
Chairman
DIN: 03318908

Bengaluru
5th June 2025

Annexure IV

to Directors' Report to the Shareholders – 2024-25

Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

1. Brief outline on CSR Policy of the Company:

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Composition of CSR Committee:

Sl. No.	Name of the Director (M/s.)	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Venu Srinivasan	Chairman	1	1
2.	Sudarshan Venu	Member	1	1
3.	Vijay Sankar	Member	1	1

3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.	www.tvsmotor.com Web-link is provided in page no. 208 of this Annual Report.
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a) Average net profit of the company as per section 135(5).	₹ 1,977.60 Cr
	(b) Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013.	₹ 39.55 Cr
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year (5b+5c-5d).	₹ 39.55 Cr
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 40 Cr
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 40 Cr

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act, 2013		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
40 Cr	Not Applicable				

(f) Excess amount for set off, if any

Sl. No.	Particulars	(Amount in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	39.55 Cr
(ii)	Total amount spent for the financial year	40.00 Cr
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.45 Cr
(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)]	0.45 Cr

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135: Not Applicable

For and on behalf of the Board of Directors

VENU SRINIVASAN
Chairman Emeritus & Managing Director and
Chairman of the CSR Committee
DIN: 00051523

Bengaluru
5th June 2025

Annexure V

to Directors' Report to the Shareholders – 2024-25

COMPARATIVE ANALYSIS OF REMUNERATION PAID TO DIRECTORS AND EMPLOYEES WITH THE COMPANY'S PERFORMANCE

1.	Name of the Director & KMP (M/s.)	Designation	Ratio to Median Remuneration	% increase / (Drecrease) in remuneration
	Prof. Sir Ralf Dieter Speth	Chaiman	-	-
	Venu Srinivasan	CE & MD	1:7	-
	Sudarshan Venu	MD	1:316	30%
	K N Radhakrishnan	D & CEO	1:157	7%
	Shailesh Haribhakti	NE-ID	1:3	-
	Dr. Deepali Pant Joshi	NE-ID	1:3	-
	Vijay Sankar	NE-ID	1:3	-
	B Sriram	NE-ID	1:3	-
	K Gopala Desikan	CFO	NA	45%
	K S Srinivasan	CS	NA	10%
	CE & MD - Chairman Emeritus and Managing Director	MD - Managing Director		
	D&CEO - Director & Chief Executive Officer	CFO- Chief Financial officer; CS - Company Secretary		
	NE-ID - Non Executive Independent Director			
2	The percentage increase in the median remuneration of employees in the financial year		16%	
3	The number of permanent employees on the rolls of company;		6522	
4	a. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2024-25		13%	
	b. Average percentile increase in the managerial remuneration in the financial year 2024-25		21%	
	There are no exceptional circumstances for increase in the managerial remuneration.			
5	Affirmation that the remuneration is as per the remuneration policy of the company.		Remuneration paid during the year 2024-25 is as per the Remuneration Policy of the Company	

For and on behalf of the Board of Directors

PROF SIR RALF DIETER SPETH
CHAIRMAN
DIN: 03318908

Bengaluru
5th June 2025

Annexure VI

to Directors' Report to the Shareholders – 2024-25

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. DETAILS

1	Corporate Identity Number (CIN) of the Listed Entity	L35921TN1992PLC022845	
2	Name of the Listed Entity	TVS Motor Company Limited	
3	Year of incorporation	10-06-1992	
4	Registered office address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006	
5	Corporate address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006	
6	E-mail	contactus@tvsmotor.com	
7	Telephone	044-28332115	
8	Website	www.tvsmotor.com	
9	**Date Of Start of Financial Year**	**Start Date**	**End Date**
	Financial Year	01-04-2024	31-03-2025
	Previous Year	01-04-2023	31-03-2024
	Prior To Previous Year	01-04-2022	31-03-2023
10	Name of the Stock Exchange(s) where shares are listed		
	1 BSE Limited, Mumbai		
	2 National Stock Exchange of India, Mumbai		
11	Paid-up Capital	₹ 47,50,87,114	
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report		
	Name Of Contact Person	Thakur Pherwani Chief Sustainability Officer	
	Contact Number of Contact Person	+91 7418772111	
	Email Of Contact Person	thakur.pherwani@tvsmotor.com	
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken, together).	Standalone basis	
14	Name of assurance provider	Bureau Veritas (India) Pvt. Ltd.	
15	Type of assurance obtained	Reasonable Assurance engagement for BRSR (Core) parameters and Limited Assurance for non-core parameters	

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the entity's Turnover):

S. No.	Description of main activity	Description of business activity	% of turnover
1	Manufacturing	Two wheelers and Three wheelers	99%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Motorcycle, Scooters, Mopeds	30911	83%
2	Three-wheelers	30912	5%
3	Parts & Accessories	30913	11%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated*:

Location	Number of plants	Number of offices	Total
National	3	29	32
International	-	3	3

* Note: The three plants include our production sites in Hosur, Mysuru, and Nalagarh, Offices include our areas offices, our registered office in Chennai, 2 offices in Bengaluru, overseas offices in Dubai, UK and Singapore

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	22
International (No. of Countries)	91

b. What is the contribution of exports as a percentage of the total turnover of the entity?

24% of the total turnover of the Company is contributed through exports

c. A brief on types of customers

TVS Motor Company Limited (TVS Motor), the third-largest two-wheeler manufacturer by market capitalization, stands as a leader in delivering diverse mobility solutions. The company's extensive portfolio includes mopeds, motorcycles, petrol and electric scooters, as well as premium and super-premium motorcycles, catering to legally eligible riders globally.

As a rapidly expanding Indian original equipment manufacturer (OEM), TVS Motor has established a strong presence in over 91 countries, reinforcing its global footprint. The company's core strength lies in its cutting-edge research and development, ensuring high success rates in launching next-generation products.

TVS Motor has also developed a proprietary connected platform, enhancing vehicle telemetry and connectivity to meet the evolving needs of its customers. Whether for performance-driven riders, daily commuters, or urban consumers seeking sophistication, the company remains committed to innovation, excellence, and customer-centric mobility solutions across all segments.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female		Others
		No. (B)	% (B/A)	No. (C)	% (C/A)	
Permanent (D)	4,719	4,037	85.55	682	14.45	0
Other than Permanent (E)	4,983	3,947	79.21	1,036	20.79	0
Total employees (D + E)	9,702	7,984	82.30	1,718	17.70	0
Worker						
Permanent (F)	1,803	1,802	99.94	1	0.06	0
Other than Permanent (G)						
Total workers (F + G)	1,803	1,802	99.94	1	0.06	0

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
DIFFERENTLY ABLED EMPLOYEES								
1.	Permanent (D)	27	25	92.59	2	7.41	-	-
2.	Other than Permanent (E)	255	199	78.04	56	21.96	-	-
3.	Total differently abled employees (D + E)	282	224	79.43	58	20.57	-	-
DIFFERENTLY ABLED WORKERS								
4.	Permanent (F)	14	14	100.00	0	0	0	0
5.	Other than Permanent (G)							
6.	Total differently abled workers (F + G)	14	14	100.00	0	0	0	0

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5
Key Managerial Personnel	2	0	0.00

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	FY 2024-25 (Turnover rate in current FY) [values in %]				FY 2023-24 (Turnover rate in previous FY) [values in %]				FY 2022-23 (Turnover rate in the year prior to the previous FY) [values in %]			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	10.62	11.09	0	10.69	11.29	11.08	0	11.26	11.71	9.70	0	11.48
Permanent Workers	2.7	0	0	2.7	2.5	0	0	2.5	2.76	0	0	2.76

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	TVS Holdings Limited (formerly known as Sundaram- Clayton Limited)	Holding	50.26	No
2.	Sundaram Auto Components Limited	Subsidiary	100.00	No
3.	TVS Credit Services Limited	Subsidiary	80.69	No
4.	TVS Motor Services Limited	Subsidiary	100.00	No
5.	TVS Electric Mobility Limited	Subsidiary	100.00	No
6.	DriveX Mobility Private Limited	Subsidiary	89.40	No
7.	Harita ARC Private Limited	Subsidiary	0	No
8.	TVS Housing Finance Private Limited	Subsidiary	0	No
9.	Harita Two-wheeler Mall Private Limited	Subsidiary	0	No
10.	TVS Motor Company (Europe) B.V.	Subsidiary	100.00	No
11.	TVS Motor (Singapore) Pte Limited	Subsidiary	100.00	No
12.	PT TVS Motor Company	Subsidiary	51.20	No
13.	TVS Motor Company DMCC	Subsidiary	100.00	No
14.	The Norton Motorcycle Co Limited	Subsidiary	0	No
15.	The GO Corporation	Subsidiary	0	No
16.	Swiss E-mobility Group (Holding) AG	Subsidiary	0	No
17.	Swiss E-mobility Group (Schweiz), AG	Subsidiary	0	No
18.	Colag E-mobility GmbH	Subsidiary	0	No
19.	Alexand'Ro Edouard'O Passion VeloSarl	Subsidiary	0	No
20.	Swiss E-Mobility Group (Österreich) GmbH	Subsidiary	0	No
21.	EGO Movement, Stuttgart GmbH	Subsidiary	0	No
22.	EBCO Limited	Subsidiary	0	No
23.	Celerity Motor GmbH	Subsidiary	0	No
24.	TVS Digital Pte Limited	Subsidiary	0	No
25.	Ultraviolette Automotive Private Limited	Associate	30.83	No
26.	Killwatt GmbH	Associate	0	No
27.	Predictronics Corp	Associate	0	No
28.	Altizon Inc	Associate	0	No

VI. CSR DETAILS

24. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (Rupees in Crores)	36,251.32
Net worth (Rupees in Crores)	9,966.18

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES-

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	if yes, then provide web link for grievance redress policy*	FY 2024-25			FY 2023-24			If NA, then provide the reason
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	
Communities	Yes		0	0		0	0	Nil	
Investors (other than shareholders)	Yes		0	0		0	0	Nil	
Shareholders	Yes		9	0		6	0	Closed	
Employees and workers	Yes		288	41		273	16	Pending concerns are in progress and will be closed	
Customers	Yes		67,015	1,038		57,871	107	Pending concerns are in progress and will be closed	
Value Chain Partners	Yes		0	0		90	12	Pending concerns are in progress and will be closed	

*The company has implemented a structured framework to address grievances across all stakeholder groups. Policies such as the Code of Business Conduct and Ethics, Whistleblower Mechanism, Stakeholder Engagement Policy, Anti-Discrimination Policy, Supplier Sustainability Code of Conduct, and Human Rights Policy provide comprehensive guidance for reporting and resolving concerns. The relevant policies can be accessed through the company's official website as provided in pg 208 of this Annual Report.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change and Decarbonization	R	Regulations on emissions and fuel efficiency are becoming more stringent across various regions, necessitating design and production modifications that may impact profit margins. Additionally, climate change affects the availability of essential resources like water, posing further operational challenges.	The Company is continuously using renewables in its energy mix, establishing a benchmark for ecofriendly operations in the automobile OEM sector. The Company is committed towards enhancing fuel and resource efficiency in its products while expanding its range of electric vehicle and other low-carbon options	Negative Implications
2	Climate Change and Decarbonization	O	The growing consumer demand for eco-friendly vehicles presents a significant opportunity for our products. Additionally, government subsidies currently support electric vehicles (EVs), further enhancing their market potential.	Revenue growth from eco-friendly products, access to incentives like subsidies, and enhanced operational efficiency.	Positive Implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Supply Chain Management	R	ESG-related supply chain risks for TVSM include regulatory compliance, supplier ESG performance, resource availability, consumer expectations, and operational disruptions. Effective management is essential to mitigate costs, ensure compliance, and maintain brand trust.	TVS Motor prioritises establishing strategic alliances that resonate with its sustainability objectives. Working in tandem with suppliers, dealers, and consumers, the Company champions a unified approach to sustainability, embedding its dedication to social and ecological stewardship and robust governance throughout the entire value chain. Such collaborations are key to a sustainable future, innovation and ethical conduct.	Negative Implications
4	Market/Product Competition	R	Failing to innovate and remain competitive may result in decreased market share, reduced profits, and diminished relevance within the industry.	TVS Motor prioritises R&D to stay at the forefront of innovation. By keeping a close watch on market trends and customer preferences, the Company aligns its product offerings with consumer demands, thus maintaining its competitive edge.	Negative Implications
5	Market/Product Competition	O	Innovative and efficient products enable the company to stand out, expand into new markets, and seize emerging opportunities.	Market competition enables TVS Motor Company to drive innovation, enhance quality, expand globally, optimize costs, and introduce advanced mobility solutions, ensuring differentiation, improved customer experience, and sustained growth in evolving markets.	Positive Implications
6	Road Safety	R	Road safety poses a business risk to TVS Motor Company due to regulatory compliance costs, potential brand reputation damage, product liability issues, rising insurance expenses, technological adaptation demands, and competitive pressures. Proactive innovation, compliance, and customer awareness are essential for risk mitigation.	The Company is advocating for road safety through ABS-equipped two-wheelers, ensuring rider stability and skid prevention. The programme offers essential support while the #Ride4Safety campaign and 'Helmet Wali Holi' initiative promote safe riding practices.	Negative Implications
7	Occupational Health & Safety	R	Improper battery storage, fire risks in the paint shop, and contractor non-compliance with safety standards pose operational and compliance challenges for TVS Motor Company, requiring strict safety measures and risk mitigation strategies.	TVS Motor's health and safety governance is intertwined with its strategic objectives. Its EHS Policy underpins efforts to foster a safe and sustainable work environment. A cross-level safety culture is championed, from Board members to union-represented workmen, with experts ensuring best practices. Plant-level senior staff and unions implement EHS & OHS Policies, embodying the Company's commitment across global facilities.	Negative Implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Integrated Risk Management	O	Integrated risk management enhances TVSM's resilience, regulatory compliance, and sustainability. Proactive risk assessment optimizes operations, strengthens brand trust, ensures business continuity, and provides a competitive edge while enabling the company to seize emerging growth opportunities.	As an ISO 22301-certified company, it has established a robust and integrated risk management process. This includes proactive risk assessment, effective mitigation strategies, risk diversification, and well-defined contingency plans. These measures ensure business continuity, minimize potential disruptions, and maintain a competitive advantage in the evolving market landscape.	Positive Implications
9	Corporate Governance	O	A robust governance framework enhances investor confidence and strengthens TVSM's market position, fostering long-term growth and competitive advantage.	TVS Motor emphasises transparency, ethical conduct, and accountability to build trust and a strong reputation. Its Code of Conduct strictly prohibits bribery and corruption, and steadfast dedication to integrity in business conduct.	Positive Implications
10	Water & Effluent Management	R	Unpredictable rainfall due to changing weather patterns, including El Niño, affects water availability. Groundwater depletion from overuse lowers freshwater access. Stricter water regulations may impose consumption limits, potentially impacting TVS Motor's production processes.	Committed to reducing water usage by adopting efficient practices and water-saving technology. The Company supports sustainable water management by integrating rainwater harvesting, recycling water, and recharging aquifers. It is exploring alternative water sources and collaborating with communities on shared projects.	Negative Implications
11	Circular Economy	R	The Company prioritises effective waste management and circularity, with defined actions for environment management, resource conservation, and sustainable production. The Company's advanced waste management systems exceed regulatory requirements, setting industry benchmarks through meticulous segregation and recycling	TVS Motor is working towards transition from linear economy to a circular economy, eliminating waste and extending resource use by redesigning processes and enhancing product longevity. Embracing a closed-loop system, the Company increasingly incorporates recycled materials, cutting down reliance on virgin resources and lessening environmental impact, thus conserving resources, saving energy, and reducing emissions	Negative Implications
12	Product Stewardship	O	Product stewardship fosters innovation and efficiency, enabling the Company to stand out in the market. By designing eco-friendly products, optimising resource use and demonstrating advanced safety features in its products, the Company positions its products as best-in-class across multiple segments.	TVS Motor's product stewardship emphasises full product lifecycle management via Life Cycle Assessment (LCA) and compliance with Extended Producer Responsibility (EPR). The Company's commitment to environmental labelling, reducing hazardous substances, and creating low-carbon products.	Positive Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

THIS SECTION IS AIMED AT HELPING BUSINESSES DEMONSTRATE THE STRUCTURES, POLICIES AND PROCESSES PUT IN PLACE TOWARDS ADOPTING THE NGRBC PRINCIPLES AND CORE ELEMENTS.

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

1. Disclosure Question		Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Has the policy been approved by the Board? (Yes/No)	Web Link of the Policies, if available
P1	Ethics & Transparency	Yes	Yes	**CODE OF BUSINESS CONDUCT & ETHICS:** https://www.tvsmotor.com/-/media/Feature/Investors/Communication/Files/CodeofBusinessConductandEthicspdf.pdf **WHISTLE BLOWER POLICY:** https://www.tvsmotor.com/-/media/Feature/Investors/Communication/Files/Whistle-Blower-Policy-Apr2020.pdf TAX POLICY: https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=7EF42C2B577C4DBC9884AEC9CD41D30D **SUPPLIER SUSTAINABILITY CODE OF CONDUCT:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=46F5076C5AFE4AB39DEC50EEC811C847
P2	Product Responsibility	Yes	Yes	**SUSTAINABLE PROCUREMENT POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=46F5076C5AFE4AB39DEC50EEC811C847
P3	Human Resources	Yes	Yes	**DISCRIMINATION POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=3B199FA3ECB249ECACFF9CABBA29D059 **BOARDS DIVERSITY POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=B4F6AAA0F98D4147BE0459BBDCB7CEB7
P4	Responsiveness to Stakeholders	Yes	Yes	**POLICY ON PREVENTION OF SEXUAL HARASSMENT** Policies on POSH, are published on the intranet **STAKEHOLDER ENGAGEMNT POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=B4EC3D8F698E44249EF027F75458827D
P5	Respect for Human Rights	Yes	Yes	**HUMAN RIGHTS POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=78204B0317E14301B27F7BC494F93D52
P6	Efforts to restore the Environment	Yes	Yes	**EHS POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=0FBF2CA4CC80423FBE06C8C79EF09B40 **ENERGY POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=0BC172BA677C49779388D3523A128948 **BIODIVERSITY POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=8958B17560D0432BBC1EDCB3BD645977
P7	Public Policy Advocacy			-
P8	Inclusive Growth	Yes	Yes	**CSR POLICY:** https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=35DB4B90B2694F8E942A1542B4CF7DC1
P9	Customer Engagement	Yes	Yes	**PRIVACY POLICY** https://www.tvsmotor.com/privacy-policy

Disclosure Question		2. Whether the entity has translated the policy into procedures. (Yes / No)	3. Do the enlisted policies extend to your value chain partners? (Yes/No)	4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.
		Policy and management processes		
P1	Ethics & Transparency	Yes, the Company has effectively integrated its policies into practical procedures across all areas of operations. For instance, to uphold compliance with the Code of Business Conduct & Ethics, a dedicated committee has been established to investigate any violations. Additionally, the company has implemented well-defined Standard Operating Procedures (SOPs) to address and resolve stakeholder grievances efficiently.	TVS Motor Company Limited (TVSM), a leading provider of mobility solutions, recognizes the pivotal role its supply chain partners play in achieving its vision—enhancing quality of life through safe, sustainable, and responsible mobility. In line with this vision, TVSM's Sustainable Procurement Policy underscores the importance of integrating sustainability into procurement practices, ensuring that all suppliers adhere to environmentally and socially responsible standards. The Supplier Sustainability Code of Conduct ("Code") establishes key expectations for its partners, focusing on environmental, social, and governance (ESG) responsibilities.	TVSM's Code of Business Conduct & Ethics of the Company, which forms the pillar of the Company is based on ISO 11469; AIS 129, 156: EC 1907/2006; CMV Rules, SA 8000 including Integrated Management System- ISO14001:2015 & ISO 4500:2018, ISO 22301:2019 for Business Continuity
P2	Product Responsibility			
P3	Human Resources			
P4	Responsiveness to Stakeholders			
P5	Respect for Human Rights			
P6	Efforts to restore the Environment			
P7	Public Policy Advocacy			
P8	Inclusive Growth			
P9	Customer Engagement			

Disclosure Question		5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.
		Policy and management processes	
P1	Ethics & Transparency	TVS Motor Company demonstrates a strong commitment to sustainability and environmental stewardship through various initiatives. The company promotes renewable energy, enhances green cover, implements rainwater harvesting, reduces carbon emissions, optimizes water consumption and advances waste recycling efforts. Additionally, TVS Motor Company plays a crucial role in community development through Srinivasan Services Trust (SST), which focuses on empowering women and fostering socio-economic upliftment in rural India.	Performance on specific parameters is as under: 1. Three manufacturing facilities in India- Hosur, Mysuru, Nalagarh are certified as "Water Positive Facility" and "Zero Waste to Landfill" by Confederation of Indian Industries 2. Nalagarh and Hosur facility certified according to ISO 50001:2018 3. **84%** Material is Sourced from Local promoting 'Vocal for Local' 4. **43%** Green Cover having Home for 1042+ Fauna & 652+ Flora species. 5. **1.6 million** beneficiaries till date under CSR through Srinivasan Services Trust (SST) 6. TVS Mysuru facility was awarded "GreenCo Gold Rating" by CII
P2	Product Responsibility		
P3	Human Resources		
P4	Responsiveness to Stakeholders		
P5	Respect for Human Rights		
P6	Efforts to restore the Environment		
P7	Public Policy Advocacy		
P8	Inclusive Growth		
P9	Customer Engagement		

	Governance, leadership, and oversight
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	TVS Motor Company is committed to sustainability, environmental stewardship, social responsibility, and ethical governance, ensuring a positive impact on all stakeholders, including customers, communities, employees, suppliers, and dealers. In FY 2023-24, the company conducted a 'Double Materiality' assessment to prioritize sustainable issues for TVS Motor, laying the foundation for a robust sustainability strategy. The outcome of the assessment has laid the foundation for a strong sustainability framework aligned with the United Nations Sustainable Development Goals (UNSDG) and strategic sustainability pillars, thereby embedding sustainability into day-to-day operations. This structured framework enables the company to systematically address its most pressing sustainability concerns while aligning with stakeholder expectations and broader business objectives. The company is committed to reducing emissions in line with climate science, aiming to limit global warming to 1.5 degrees Celsius. TVS Motor has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and plans to adopt the Task Force on Nature-related Financial Disclosures (TNFD). By proactively managing climate and nature-related risks, the company aims to build a resilient future, ensuring long-term sustainability and stability.

Disclosure Question	5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors, under the leadership of the Chairman Emeritus and Managing Director, holds the primary responsibility for overseeing and evaluating the company's Business Responsibility (BR) performance at the highest level.	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).	Yes, The Risk Management Committee is responsible for monitoring and advising on sustainability topics	
If yes, provide details.	Chairman, Chairman Emeritus & Managing Director and Director & Chief Executive Officer	
If NA, provide details.		

10. Details of Review of NGRBCs by the Company:

Particulars	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee	Committee of the Board								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee	Committee of the Board								
Subject for Review	**Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)**								
Performance against above policies and follow up action Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)	Annually								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes Bureau Veritas (India) Pvt. Ltd.								

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Particulars	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	No	No	No	No	No	No	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No) Any other reason (please specify)	No	No	No	No	No	No	No	No	No

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	9	P1, P2, P6	100%
Key Managerial Personnel	9	P1, P2, P6	100%
Employees other than BoD and KMPs	8,349	Covering All principles	87%
Workers	1,803	P3 & P5	98%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary			
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-
Settlement	-	-	-	-
Compounding fee	-	-	-	-

In terms of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015, no fines / penalties /punishment/ award/ compounding fees/ settlement amount is paid in proceedings by the entity or by directors / KMPs with regulators/ law enforcement agencies/ judicial institutions, during the financial year.

	Non-Monetary		
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-
Punishment	-	-	-

3. ***Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.***

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. ***Does the entity have an anti-corruption or anti-bribery policy?***

Yes

If yes, provide details in brief.
TVSM sets a high bar for ethical conduct. Our Code of Conduct unequivocally forbids bribery and corruption, underscoring our unwavering commitment to integrity in all business dealings. The details are available in the policy links mentioned in pg 208 of this Annual Report.

5. ***Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:***

Particulars	FY 2024-25	FY 2023-24
Board of Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. ***Details of complaints with regard to conflict of interest:***

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0		0	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

7. ***Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.***

NIL

8. ***Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:***

	FY 2024-25	FY 2023-24
Number of day of accounts payables	42	50

9. ***Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:***

Parameter	Metrics		FY 2024-25	FY 2023-24
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases**	0	0
	b.	Number of trading houses where purchases are made from	0	0
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	100%	100%
	b.	Number of dealers / distributors to whom sales are made	1,121	1,084
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	4.96%	4.9%
Share of RPTs in	a.	Purchases** (Purchases with related parties / Total Purchases)	1,221.12	961.65
	b.	Sales** (Sales to related parties / Total Sales)	481.97	854.49
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d.	Investments** (Investments in related parties / Total Investments made)	2,031.48	1359.34

All units above are in Crores

**All purchases are through suppliers and sales through dealers

LEADERSHIP INDICATORS

1. *Awareness programs conducted for value chain partners on any of the principles during the financial year:*

Sr. no	Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
1	24*	P2, P3, P6	48.37%

*14 training courses conducted for Dealers with 48% coverage(of 1413) and 10 training courses conducted for Suppliers with 46% coverage(of 460)

2. *Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)*

Yes

The Company follows a 'Policy on Related Party Transactions' in accordance with its **Code of Conduct for Business and Ethics**. The policy requires directors and senior management to proactively identify and disclose any potential or actual conflicts of interest that could adversely impact the Company. If necessary, they must take appropriate measures to resolve or eliminate such conflicts.

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. *Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.*

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	612.27	423.27	TVS Motor is continuously working on improving the environmental and social impacts from the products. In the previous year, TVS Motor has worked in the following area. • Electric Vehicle – The company has launched TVS King EV, a three-wheeler model. Company has invested in development of EVs in various other segments. • CNG – Company has developed and showcased Jupiter 125 CNG model • Flex fuel Technology – Company has developed and showcased Raider 125 Flex Fuel Technology • E20 – All the IC Engine products are E20 (Ethanol blended fuel) compliant. • OBD II B – Investments have been done on the improvement in the tail pipe emissions in line with the regulatory norms. • Engine development – invested in optimizing the fuel economy and reducing the tailpipe emissions
Capex	412.68	221.39	Capex investments are made accordingly as mentioned in the above projects/areas.

Note: All units above are in crore.

2. a. *Does the entity have procedures in place for sustainable sourcing? (Yes/No)*

Yes, in FY 2023-24, TVS Motor institutionalized its "Sustainable Procurement Policy" to guide its engagement with the supply chain partners. The policy sets a clear framework for suppliers to follow, aiming to reduce environmental and social impacts. It focuses on cutting carbon emissions, ensuring fair labour practices, and providing ongoing training for workers. The policy was communicated to suppliers through email and the internal TVS Motor's Supplier portal.

The Sustainable Supplier Code of Conduct, part of this policy, outlines specific responsibilities for suppliers. It requires them to maintain high standards in health and safety, manage environmental and social risks, and use resources wisely. By working closely with the suppliers, TVS Motor aims to create a sustainable supply chain that benefits everyone and positively impacts the environment and society.

b. *If yes, what percentage of inputs were sourced sustainably?*

Over the last 1 year, TVS Motor has initiated several sustainable sourcing initiatives to enhance environmental responsibility and operational efficiency. These initiatives are in the process of being consolidated:

- Localizing Suppliers: The company encourages Tier-1 suppliers to establish manufacturing facilities near its plants. This approach not only helps to reduces transportation emissions; also supports local economies.

- Material Innovation: The company is transitioning from metallic parts to recyclable plastics and incorporating recycled plastics into vehicles like the TVS Apache, TVS Star City+, TVS Victor, and TVS Jupiter. This shift is aimed to maintain performance and durability while reducing environmental impact.
- Supplier Certification: As an IATF 16949:2016 certified company for Automotive Quality Management System, TVS Motor encourages its suppliers to obtain the IATF certification along with SA 8000, ISO 14001, and ISO 45001 certifications. These certifications enhance sustainability and robustness within the supply chain.
- Sustainable Packaging: TVS Motor is implementing eco-friendly packaging solutions to minimize waste and environmental impact.
- Ethical sourcing guidelines: The company enforces strict guidelines to ensure that suppliers adhere to labor rights, environmental standards, and ethical practices.

3. ***Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for***

(a) Plastics (including packaging)

- The packaging plastic materials are managed as per Extended Producer Responsibility requirements.

(b) Battery Recycling Practices

Lithium-Ion Batteries (Electric Vehicles):

- TVS is registered on the Central Pollution Control Board (CPCB) portal as a producer for lithium-ion batteries used in electric vehicles.
- Lithium-Ion batteries installed in TVSM vehicle comply with Labelling requirements as per the Regulations.

Lead-Acid Batteries:

- Lead-acid batteries used in TVS products comply with recycling symbol marking requirements.
- At EOL, these batteries are channelled to recyclers through our dealer and partner network, following the EPR guidelines established by the respective battery manufacturers.

(c) Hazardous waste

- Used Oil: TVS Motor has applied to the Central Pollution Control Board (CPCB) for registration as a producer of used engine oil (sold in the after-market) to ensure circularity.
- Waste Tyres: TVS Motor procures domestic tyres from supplier-manufacturers registered on the CPCB portal. Additionally, it is also registered on the CPCB portal as an importer for the tyres used in premium models.

(d) Other waste

- Circular Economy Approach: High recyclability rates contribute to a circular economy where materials are recovered and reused in new products.
- End-of-Life Management: The company is developing a framework for:
  - Collection of End-of-Life Products
  - Dismantling Products
  - Reclaiming Recyclable Materials
  - Reusing Recovered Materials in New Components

4. ***Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No) If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.***

Yes,

Reaffirming its commitment to environmental responsibility, TVS Motor Company has met its Extended Producer Responsibility (EPR) obligations under the Plastic Waste Management Rules, 2016. For 2024-25, TVS Motor is on track to collect 1,155 metric tons of single-use plastic waste, ensuring compliance with regulatory requirements. This will be reported to the Central Pollution Control Board (CPCB) as part of its responsibilities as a brand owner.

LEADERSHIP INDICATORS

1. ***Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format ? If yes, provide details in the following format***

Life Cycle Assessments (LCAs) have been conducted for iQube in fiscal year 2024-25 as detailed in below table

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web-link.
291	iQube	9%	Cradle to Grave	No	No	NA

TVS Motor Company conducts Life Cycle Assessments (LCAs) in-house using GaBi software and the Ecoinvent database. The collected data is periodically evaluated to identify improvement areas, enabling targeted actions across product models to reduce environmental impact effectively.

2. ***If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.***

Name of Product / Service	Description of the risk / concern	Action Taken
All IC Engine Products	Tailpipe emissions	All the products comply with the OBD II B regulatory requirements
TVS Jupiter 125 2W CNG	Reduction of tailpipe emissions	Showcased India's first CNG scooter. Jupiter 125 CNG Model displayed in Bharat Mobility 2025
TVS KING 3W EV	Usage of non-hazardous parts / materials	Introduced PVD (Physical Vapour Deposition) process, where trivalent chromium bath is used in place of hazardous hexavalent chromium bath for decorative chrome finish parts. Achieved copper colour for such parts through use of copper and avoided painting process. Silicon hard coating is also eliminated
All ICE Products	Depletion of fossil fuel	All ICE products are tuned for E20 (Ethanol 20% + Gasoline 80%). The ethanol in India is produced from the bio-based sources, which is renewable and carbon-neutral. All ICE products are pasted with E20 Sticker, to inform the customers about the use of fuel in the vehicles

Through continuous efforts, the company is constantly working on improving fuel efficiency (fuel conservation), lightweighting (resource conservation) and reducing the tailpipe emissions. These actions contribute to reduce the emissions during various stages of product life cycle.

3. ***Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).***

Currently, TVS Motor is developing its internal framework to track the use of recycled or reused material in the manufacturing process.

4. ***Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:***

Particulars	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	346.5	808.5	-	935	-
E-waste	-	NA	-	-	NA	-
Hazardous waste	-	NA	-	-	NA	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Reclaimed product and their packaging material under EPR which is collected with the help of M/s Rapidue Technologies Private Ltd.

Indicate Input Material	Recycled or re-used input material to total material FY 24-25
Category 2: Flexible plastic packaging (Single layer or Multilayer having more than one layer with different types of plastic)	Negligible quantity (As the use of recycled content commenced in February 2025)
Single layer or Multilayer having more than one layer with different types of plastic	A minimum of 10% Post-Consumer Recycled (PCR) material is targeted to be initiated from the next fiscal year, in accordance with the recent Extended Producer Responsibility (EPR) procurement guidelines.

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	4,037	4,037	100%	4,037	100%	0	0	4,037	100%	4,037	100%
Female	682	682	100%	682	100%	682	100%	0	0	682	100%
Total	4,719	4,719	100%	4,719	100%	682	14.44%	4,034	85.56%	4,719	100%
Other than Permanent employees											
Male	3,947	3,947	100%	3,947	100%	0	0	3,947	100%	3,947	100%
Female	1,036	1,036	100%	1,036	100%	1,036	100%	0	0	1,036	100%
Total	4,983	4,983	100%	4,983	100%	1,036	20.79%	3,947	79.21%	4,983	100%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1,802	1,802	100%	1,802	100%	0	0	1,802	100%	1,802	100%
Female	01	01	100%	01	100%	01	100%	0	0	01	100%
Total	1,803	1,803	100%	1,803	100%	01	0.06%	1,802	99.94%	1,803	100%
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

Particulars	FY 2024-25	FY 2023-24
c. Cost incurred on well- being measures as a % of total revenue of the company	0.44%	0.44%

* The total cost incurred on well-being for FY24-25 is INR 160 crores and for FY23-24 is INR140 crores

2. *Details of retirement benefits, for Current FY and Previous Financial Year*

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
Employees State Insurance Benefits (ESI)	100%	100%	Yes	100%	100%	Yes

3. *Accessibility of workplaces*

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

TVS Motor is committed to fostering an inclusive and diverse workforce, recognizing the unique needs of the automotive industry's talent pool. With a strong focus on including 3% Persons with Disabilities (PwD), the company has implemented targeted initiatives to create an equitable work environment. Driven by senior leadership, these efforts ensure that Diversity, Equality and Inclusion (DE&I) remain a strategic priority.

In the fiscal year 2024-25, the company was honoured with the Inclusive Workplace Excellence Award in the Pan India Category at the CII EFI National Conference, demonstrating its commitment to inclusivity. As part of its focus on inclusive growth, the company also received the ASSOCHAM 5th Diversity & Inclusion Excellence Awards & Conclave – 2024 in two categories: Best Employer for Persons with Disabilities (Large Sub-category) and Best Employer for Women (Large Sub-category).

To enhance accessibility, all common areas across TVS facilities are wheelchair-friendly, enabling seamless movement for employees. The company strengthens strategic hiring by partnering with organizations to create opportunities for PwD candidates, while role mapping helps identify suitable positions based on skills and qualifications. A culture of inclusion is fostered through continuous learning, with leaders, managers, and teams receiving sensitization training. TVS also prioritizes communication accessibility by offering Sign Language training and utilizing technology-enabled translation tools.

If not, whether any steps are being taken by the entity in this regard.

4. *Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.*

Yes

Policies as per Rights of Persons with Disabilities Act, 2016 are published on the intranet

5. *Return to work and Retention rates of permanent employees and workers that took parental leave.*

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	97	100	97	100
Female	100	100	100	100
Total	98.5	100	98.5	100

6. *Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?*

Yes

If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)	Remark
Permanent Workers	Yes	TVS Motor Company Limited (TVSM) has established multiple grievance redressal mechanisms within its plants, ensuring fair representation from both management and worker representatives. Various committees, including the POSH Committee and the Ethics Committee, address and manage grievances effectively. Depending on the nature and severity of the issue, unresolved concerns are escalated to the appropriate authority, such as the Head of Department (HOD), Employee Relations (ER) Head, or Plant HR Head. The company's Whistleblower Policy provides a formal platform for employees to raise grievances on a wide range of issues. Additionally, the employee induction program familiarizes new recruits with the available redressal mechanisms. TVSM has a POSH Internal Committee (PIC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The policy is accessible on the company's website, and PIC members conduct inquiries related to complaints.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. *Membership of employees and worker in association(s) or Unions recognised by the listed entity:*

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	4,719	0	0.00	4,129	0	0.00
- **Male**	4,037	0	0.00	3,579	0	0.00
- **Female**	682	0	0.00	550	0	0.00
- **Others**						
Total Permanent Workers	1,803	1,803	100%	1,851	1,851	100%
- **Male**	1,802	1,802	100%	1,850	1,850	100%
- **Female**	1	1	100%	1	1	100%
- **Others**						

8. *Details of training given to employees and workers:*

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	4,037	4,037	100%	4,034	99.93%	3,579	3,579	100%	3,579	100%
Female	682	682	100%	681	99.85%	550	550	100%	550	100%
Others	-	-	-	-	-	-	-	-	-	-
Total	4,719	4,719	100%	4,715	99.91%	4,129	4,129	100%	4,129	100%
Workers										
Male	1,802	1,802	100%	1,802	100%	1,850	1,847	100%	1,847	100%
Female	1	1	100%	1	100%	1	1	100%	1	100%
Others	-	-	-	-	-	-	-	-	-	-
Total	1,803	1,803	100%	1,803	100%	1,851	1,848	100%	1,848	100%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
- **Male**	4,037	4,037	100%	3,579	3,579	100%
- **Female**	682	682	100%	550	550	100%
- **Others**	-	-	-	-	-	-
Total	4,719	4,719	100%	4,129	4,129	100%
Workers						
- **Male**	1,802	1,802	100%	1,850	1,850	100%
- **Female**	1	1	100%	1	1	100%
- **Others**	-	-	-	-	-	-
Total	1,803	1,803	100%	1,851	1,851	100%

10 a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).

Yes

If yes, the coverage of such a system?

TVS Motor Company (TVS Motor) has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) across all its manufacturing plants, operations and across its value chain. The system is designed to ensure a safe and healthy work environment by adhering to global safety standards and regulatory requirements.

Coverage of TVSM's Occupational Health & Safety Management System:

1. ***All Manufacturing Plants & Facilities:***
   - OHSMS is implemented across all TVSM production plants to safeguard employees, contract workers, and visitors.
   - Compliance with ISO 45001:2018 (Occupational Health & Safety Management System) for best safety practices.
2. ***Workplace Safety Measures:***
   - Risk assessment and hazard identification to eliminate workplace accidents.
   - Implementation of safety protocols, emergency response plans, digital incident reporting and investigation system and PPE (Personal Protective Equipment) usage.
3. ***Employee Health & Well-being:***
   - Regular health check-ups, medical screenings, and wellness programs.
   - Ergonomic assessments and workplace modifications to reduce physical strain.
4. ***Training & Awareness Programs:***
   - Safety training sessions & campaigns, emergency drills, and awareness programs for all employees.
   - Special training for high-risk job roles to prevent workplace incidents.

By integrating a robust safety culture, TVSM ensures that employee health, well-being, and workplace safety remain a top priority across all its operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In compliance with ISO 45001:2018 certification requirements, TVS Motor conducts regular Hazard Identification and Risk Assessment (HIRA) studies across all its sites. This systematic approach ensures consistent risk identification and mitigation throughout the company's operations. Based on insights from these safety audits, multiple proactive hazard control measures have been implemented across plants to enhance workplace safety and minimize potential risks.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. The company has a robust digital platform called 'Safetymint' that is the cornerstone of its safety reporting process. The platform, is integral to its operations, allowing seamless reporting, investigation of incidents, and dissemination of learnings across all units including supporting departments such as R&D, Quality Assurance, Canteen, Scrap Yard, and others, ensuring a secure and confident reporting process.

Additionally, the 'Snakes and Hazard' program is a collaborative effort that involves all employees. It allows employees to report any equipment-related abnormalities, empowering them to identify new hazards and collaborate with relevant stakeholders, particularly the Plant Maintenance Department, to address and mitigate these issues.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. TVS Motor Company's Occupational Health Centre (OHC) operates 24/7, ensuring accessibility for all employees, including contract workers. The OHC provides medical care and treatment for both work-related and non-work-related injuries and illnesses, promoting overall employee well-being.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.20	0.39
Total recordable work-related injuries	Employees	0	0
	Workers	3	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

TVS Motor is committed to creating a safe and healthy workplace for its employees. These measures align with industry best practices, occupational health and safety standards, and sustainability principles. Key initiatives include:

- Four-Stage Safety Clearance Process: Implemented for new equipment to ensure safety is integrated from the design stage. Similarly, safety clearance for layout changes ensures that OHS control measures are incorporated during the design or modification of layouts, minimizing risks.
- My Safety Index (MSI) Calibration: In FY '25, the company transitioned from Plant Safety Score to My Safety Index (MSI). MSI is a single KPI representing the overall Occupational Health & Safety performance across plants, indirect areas, and functions. It evaluates safety through three significant elements: safety culture, processes, systems, governance, and technology, ensuring a holistic approach to workplace safety. For FY 2024-25, the overall MSI score was 81%.
- Partnership with dss+ (Dupont Sustainable Solutions): To transform safety culture from the 'dependent' to an 'independent' stage. FY 2024-25 ended with the progress to the early independent stage through the TICK—Transform, Inspire, Commit, Keep-up program.
- Proactive Hazard Control Measures: 598 proactive hazard control measures have been implemented across plants, including equipment safety features for 3D printing machines, abrasive coating machines, etc. Conforming to ISO standards, 'Advanced Water Mist Fire Protection' has been extended to engine test cells in QAD and R&D.

Other initiatives include:

- Contractor Management Centre (CMC): Assists contractors in effectively managing safety programs, ensuring they are well-equipped with safety protocols.
- Driver Management Centre (DMC): Addresses road safety challenges by providing safe commuting for employees and responsible transportation of goods. Under DMC, drivers are trained on defensive driving, other toolkits, and journey risk management training, establishing better coordination and risk-free association.
- Progressive Disciplinary Action Guidelines: Enforce adherence to critical safety rules.
- Ergonomic Assessments (Rapid Upper Limb Assessment and REBA: Rapid Entire Body Assessment): Evaluate employee fatigue and posture.

13. *Number of Complaints on the following made by employees and workers:*

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. *Assessments for the year:*

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. *Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.*

At TVS Motor, two significant identified risks are propane storage and battery pack manufacturing. To mitigate these risks, Hazard and Operability (HAZOP) analysis and Quantitative Risk Assessment (QRA) are conducted before facility installation. We have taken a proactive approach by deploying advanced fire detection and suppression systems, reassuring stakeholders of our commitment to effective risk management. Additionally, mitigation measures are reviewed every six months, with corrective actions implemented to maintain a safe working environment.

LEADERSHIP INDICATORS

1. *Does the entity extend any life insurance or any compensatory package in the event of death of*

a. **Employees (Y/N)** Yes.

The company offers a comprehensive employee benefits package, which includes a death benefit scheme, group personal accident coverage, and all statutory benefits, ensuring financial security and well-being for its employees.

b. **Workers (Y/N).** Yes

The company provides benefits such as a Family Relief Fund, Group Personal Accident Coverage, and other entitlements in accordance with statutory provisions, ensuring employee well-being and financial security.

2. *Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.*

No such incidents report in FY 24-25

3. *Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:*

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	0	11	0	0

4. *Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)*

No

5. *Details on assessments of value chain partners*

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	97%
Working Conditions	97%

Detailed break-up: 100% Suppliers (out of 112 no.) and 95% Dealers (out of 100 no.) under FY24-25 MSI initiative

The Company actively collaborates with its value chain partners, striving not just to meet industry standards, but to redefine them. TVS Motor's 'My Sustainability Index' (MSI) is designed to drive innovation, foster transparency, and create a ripple effect that could redefine industry benchmarks. By systematically assessing and training its value chain partners in a phased approach, the Company ensures compliance with legal and ethical standards while promoting a network-wide transformation toward sustainable practices. In FY24- 25, MSI calibration included 112 suppliers, 57% of suppliers (based on spending), and 100 dealers.

6. ***Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.***

TVS Motor Company is working towards ensuring safe and healthy working conditions across its supply chain. The Company proactively assesses its value chain partners' health and safety practices, identifying potential risks and implementing corrective actions. Key risks and mitigation measures include:

Sustainability at Dealers

- **Fire Readiness:** The Company requires its dealerships to implement fire safety measures, which include fire detection systems, extinguishers, and first aid kits. In the fiscal year 2024-25, 222 dealerships adopted these protocols to mitigate risks and protect their assets.
- **Fire Safety Training:** Fire safety training sessions were held during the reporting year. These sessions provided essential knowledge and risk mitigation strategies, significantly enhancing the safety of dealership and warehouse environments. They improved preparedness and response capabilities, ensuring a safer workplace. Approximately 490 participants attended these sessions, contributing to the company's overall safety culture.
- **Road Safety Campaign:** In January 2025, a nationwide road safety campaign was conducted across dealerships in major cities and 19 area offices. This campaign emphasized safe driving practices and traffic awareness. Through 480 dedicated events, it successfully engaged and educated 33,338 individuals, making a significant contribution to road safety and responsible mobility. This achievement reinforces the Company's commitment to the community and responsible business practices.
- **Water Conservation:** The Company's Dry Wash Initiative at dealer workshops aims to conserve water by utilizing steam and waterless cleaning techniques. This initiative reduces wastewater while ensuring effective vehicle maintenance with minimal environmental impact. By promoting these sustainable practices, the initiative aligns with the company's commitment to environmental responsibility and sustainability.

Sustainability at Suppliers

- In FY 2024-25, the Company organized regular safety training sessions to address workplace hazards, fire risks, and emergency response, while risk assessments identified safety gaps for corrective actions.
- During the reporting period, the Company organized 112 supplier capacity-building sessions to raise awareness on energy-efficient measures, water conservation initiatives, waste minimization, recycling programs, and emission reduction to enhance sustainability.

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. ***Describe the processes for identifying key stakeholder groups of the entity.***

   The company continually improves its proactive engagement with all stakeholder groups, viewing this as crucial to building partnerships. It has adopted a stakeholder engagement approach that ensures comprehensive dialogue. This approach involves identifying stakeholders' risks, concerns, challenges, and future perspectives, fostering collaboration and informed decision-making.

2. ***List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.***

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email, SMS, Newspapers and Advertisements, showroom enquiries, customer satisfaction surveys, after-sale services	Continuous	Regular engagement with customers, satisfaction assessments, and various market studies help identify principal concerns. These concerns encompass product and service excellence, prompt delivery, competitive pricing, and the fuel economy of vehicles
Dealers	No	E-mail	Continuous	The ambit covers managing dealer systems, organizing dealer and cluster gatherings, providing training on the latest products and company guidelines, conducting facility tours, and maintaining regular communication. Primary issues involve product quality, pricing and margins, product management, technological advancements, catering to varied customer needs, and the availability of skilled personnel
Employees	No	Email, SMS, Notice board, policies, codes and procedures	Monthly, quarterly, and annual as applicable	The scope encompasses conducting performance evaluations, employee engagement, managing grievance procedures, and facilitating trainings and workshops. Central issues include strategies for career development and effectively communicating policies related to employees.
Workers	No	Notice Board, Forums, Committee meetings, consultative collective bargaining process	On-going	The activities include internal forums, sessions with the Director and CEO, and meetings of the plant safety committee. Principal issues cover resolving grievances, addressing occupational health and safety matters, along with additional employee benefits.
Community	No	Community Meetings	Continuous	The focus is on evaluating community requirements, engaging in village events, attending gram sabha meetings, and executing community programs by the SST. Chief concerns include public health and sanitation, infrastructure development, employment opportunities, and educational enhancement
Policy Makers	No	Email, meetings	As-needed basis	Involvement in policy advocacy and collaboration with industry associations.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory Bodies	No	Email, meetings	As-needed basis	The process involves submitting reports, conducting inspection tours, and holding meetings as required by directives. The main issues concern adherence to regulations and maintaining clarity in reporting.
Shareholders/ Investors	No	Email, Website, Meetings, AGMs, Analyst calls etc	Quarterly and annual	The scope encompasses participating in investor forums, managing corporate communications, conducting annual general meetings, and sending annual reports. Key issues include the company's strategic direction and performance, future objectives & ESG performance, and shareholder returns.
Vendors, Transporters and Suppliers/Service Providers	No	Email, Meetings	Monthly	Initiatives by the supplier development group, such as supplier encounters, visits and assessments, are underway. The main issues being addressed include enhancing communication within the supply chain about strategic planning and updates on rejected financial transactions; coordinating schedules; coping with variable order quantities; securing proactive participation from suppliers in achieving new product development goals; as well as implementing a system for supplier performance recognition and rewards

LEADERSHIP INDICATORS

1. ***Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how feedback from such consultations is provided to the Board.***

   Engagement Activities:

   - Regular Meetings and Discussions: Business and functional heads engage with stakeholders through bi-monthly meetings and open dialogues, ensuring a consistent flow of communication and feedback.
   - Surveys and Feedback Mechanisms: TVS Motor values stakeholder perspectives and actively seeks them through surveys and other feedback mechanisms.

   Utilizing Stakeholder Input:

   - Data Analysis and Insights: Feedback from these engagements is compiled, analyzed, and transformed into actionable insights and recommendations.
   - Informing Board Decisions: This collaborative process ensures that stakeholder interests and concerns are considered, promoting a team approach to decision-making.

2. ***Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).***

   Yes, through a comprehensive evaluation of its internal operations and external environment, TVS Motor identifies key stakeholder groups, including investors, employees, customers, dealers, suppliers, communities, CSR partners, industry associations, and regulators.

   Identification of Key Stakeholders:

   - Stakeholder Mapping: TVS Motor systematically maps stakeholders across the value chain, categorizing them based on their internal roles or external influence on business operations. Key stakeholders include investors, employees, customers, dealers, suppliers, communities, CSR partners, industry associations, and regulators.

   Continuous Interaction and Dialogue:

   - Active Engagement: The company maintains ongoing engagement with stakeholders through regular meetings and open discussions, fostering a collaborative and transparent environment.

Assessment and Response Tools:

- Feedback Mechanisms: TVS Motor utilizes various tools, such as surveys, to gather stakeholders' views and opinions, ensuring their voices are heard and considered in decision-making processes.

Evaluation and Actionable Insights:

- Strategic Recommendations: Feedback collected from stakeholder interactions is analysed and transformed into practical insights and strategic recommendations, guiding the company's actions and policies.

If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

In the last FY23-24, the Company conducted a double materiality assessment to analyse its sustainability impacts and risks. The assessment involved ~500 stakeholders from six groups and identified 19 material issues, with 10 deemed 'Critical' due to their significant influence on business activities and strategies. The Company plans to repeat this assessment every three years to address emerging risks and opportunities. Details of the outcome of the assessment is available in our Sustainability Report for FY 23-24

3. ***Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.***

TVS Motor Company is committed to social responsibility and actively collaborates with local communities to drive meaningful change. Through direct engagement and third-party assessments, the company gathers community feedback to shape its Corporate Social Responsibility (CSR) initiatives. These initiatives, implemented in partnership with Srinivasan Services Trust (SST), focus on creating a sustainable and lasting impact by addressing present and future community needs.

SST's "Inclusive Change" program is designed to promote holistic development across key areas:

- Environment: SST raises awareness about soil erosion, deforestation, and climate resilience while promoting tree plantation and sustainable agricultural practices. Farmers are actively encouraged to adopt eco-friendly methods for long-term sustainability.
- Healthcare: Preventive healthcare programs prioritize maternal and child health, nutrition, and access to essential care. Initiatives such as toilet construction, clean water supply, and hygiene promotion help prevent diseases and improve overall well-being.
- Livelihood Development: SST empowers individuals and self-help groups (SHGs) by facilitating access to government welfare programs, fostering economic self-sufficiency, and supporting skill development.
- Social Development: Community-driven initiatives enhance overall social well-being, fostering inclusivity and growth.
- Education: SST ensures that children have access to quality education, supporting their academic development and future opportunities.

By implementing these focused initiatives, TVS Motor Company and SST work towards building stronger, self-reliant communities, driving positive social change for generations to come.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	4,719	0	0	4,129	0	
Other than permanent	4,983	0	0	2,971	0	
Total Employees	9,702	0	0	7,100	0	
Workers						
Permanent	1,803	0	0	1,850	0	
Other than permanent	0	0	0	1		
Total Workers	1,803	0	0	1,851	0	

Note: TVSM established its Human Rights Policy in FY24-25 and is in the process of developing training modules and plans to undertake human right assessment in the coming year; hence the numbers for FY 23-24 have been revised to NIL

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	4,719	0	0.00	4,719	100%	4,129	0	0.00	4,129	100%
Male	4,037	0	0.00	4,037	100%	3,579	0	0.00	3,579	100%
Female	682	0	0.00	682	100%	550	0	0.00	550	100%
Others	0	0	0.00	0	100%	0	0	0.00	0	100%
Other than permanent	4,983	0	0.00	4,983	100%	256	0	0.00	256	100%
Male	3,947	0	0.00	3,947	100%	221	0	0.00	221	100%
Female	1,036	0	0.00	1,036	100%	35	0	0.00	35	100%
Others	0	0	0.00	0	100%	0	0	0.00	0	100%
Workers										
Permanent	1,803	0	0.00	1,803	100%	1,851	0	0.00	1,851	100%
Male	1,802	0	0.00	1,802	100%	1,850	0	0.00	1,850	100%
Female	1	0	0.00	1	100%	1	0	0.00	1	100%
Other than permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. *Details of remuneration/salary/wages, in the following format:*

a. *Median remuneration / wages:*

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	INR 41,89,589	1	-
Key Managerial Personnel	2	-	-	-
Employees other than BoD and KMP	5834	INR 14,00,000	683	INR 13,27,048
Workers	3,947	INR 1,28,458	1,036	INR 1,22,488

b. *Gross wages paid to females as % of total wages paid by the entity, in the following format:*

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	8.58%	5.75%

4. *Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)*

Yes, the Company has designated committees to address human rights impacts and issues at its plant level. The Company's human rights policy aligns with international conventions, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. These frameworks guide the Company's commitment to ethical labour practices, fair treatment, and workplace rights.

TVS Motor's Supplier Sustainability Code of Conduct is a comprehensive framework that promotes human rights protection and responsible business practices across its supply chain. It prohibits child labour, forced labour, and human trafficking, ensuring compliance with international and local laws. Suppliers must provide fair wages, safe working conditions, and reasonable hours, prioritizing workplace health and safety through training and hazard prevention.

The Code upholds freedom of association, allowing employees to form unions without retaliation, and enforces non-discrimination. Suppliers are recommended to have grievance mechanisms and protection for whistleblowers. TVSM ensures compliance through audits, corrective actions, and training, thereby fostering an ethical and sustainable supply chain that stakeholders can trust.

5. *Describe the internal mechanisms in place to redress grievances related to human rights issues.*

The Company has established strong grievance redressal mechanisms to address human rights concerns and ensure a safe and ethical workplace. At the plant level, committees such as the Prevention of Sexual Harassment (POSH) Committee and the Ethics Committee handle employee grievances related to human rights and ethical conduct.

The Whistleblower Policy provides employees a secure platform to report concerns without fear of retaliation, promoting transparency and accountability. Additionally, the POSH Internal Committee (PIC), formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013, investigates complaints to ensure a respectful work environment.

The Company has incorporated grievance redressal sensitization into its employee induction program to enhance awareness. Regular workshops, group discussions, online training sessions, and awareness initiatives educate employees on human rights issues and workplace safety.

TVS Motor demonstrates its commitment to safeguarding employee rights and maintaining an equitable and ethical workplace culture through these structured mechanisms.

6. *Number of Complaints on the following made by employees and workers:*

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	11	1	Enquiry in progress	1	1	Enquiry in Progress
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues						

7. *Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:*

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	11	1
Complaints on POSH as a % of female employees / workers	0.58	0.18
Complaints on POSH upheld	0	1

8. *Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.*

TVS Motor is committed to maintaining a workplace free from discrimination and harassment, ensuring employees can report concerns without fear of retaliation. To provide a safe reporting environment, the Company has implemented a robust Whistleblower Policy and a Prevention of Sexual Harassment (POSH) Internal Committee. These provide formal platforms for employees to report grievances, including those related to discrimination and harassment, confidentially and without fear of retaliation. Any attempt to intimidate or retaliate against complainants is considered a violation of the Code of Conduct. Further, all complaints are addressed promptly to ensure swift and fair resolution.

9. *Do human rights requirements form part of your business agreements and contracts? (Yes/No)*

Yes. Human rights requirements are key to the Company's business agreements and contracts. Suppliers and partners must follow the Supplier Sustainability Code of Conduct, which aligns with international human rights principles, including ILO standards and UN Guiding Principles on Business and Human Rights.

The Company's enforce compliance with child and forced labour prohibitions, fair wages, safe working conditions, non-discrimination, and ethical sourcing. These commitments are contractually binding, ensuring ethical labour practices. Regular audits and assessments monitor compliance, and violations are met with corrective action plans or business termination, demonstrating the seriousness of our stance on responsible and ethical operations.

10. *Assessments for the year:*

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

Note: In FY 24-25, 100% plants underwent SA8000 audits, ensuring complete compliance with statutory laws, regulatory requirements, and labour laws and rules. With our Human Rights policy in place, we will be taking up human rights risk assessments in the next fiscal year

11. *Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.*

Not Applicable

LEADERSHIP INDICATORS

1. ***Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.***

   In FY25, the company did not receive any human rights complaints. The company has a robust monitoring system to uphold and protect human rights within the organization. The Company has a well-established Human Rights Policy, Code of Conduct, Sexual Harassment Prevention, Fair Practices & Discrimination Policy which strengthens its commitment to maintaining an ethical, inclusive, and compliant workplace. This includes proactive approach of continuous awareness and sensitization through an annual certification system, reinforcing employee understanding of these critical policies.

2. ***Details of the scope and coverage of any Human rights due diligence conducted.***

   TVS Motor is committed to social responsibility and the protection of human rights across its operations and supply chain. Through proactive Human Rights Due Diligence (HRDD), the company identifies and mitigates risks using international standards, as evidenced by its SA 8000:2014 certification across all manufacturing plants. In FY 2024-25, no human rights risks were identified, underscoring the Company's strong ethical standards and dedication to social accountability.

3. ***Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?***

   Yes, TVS Motor ensures its premises and offices are accessible to differently abled visitors in compliance with the Rights of Persons with Disabilities Act, 2016. The Company has incorporated barrier-free access features such as ramps, handrails, elevators, accessible restrooms, and designated parking spaces to facilitate ease of movement. Additionally, the Company promotes an inclusive work environment by continuously improving infrastructure and facilities to meet accessibility standards.

4. ***Details on assessment of value chain partners:***

   The My Sustainability Index (MSI) is a strategic framework designed to systematically benchmark and train value chain partners. It ensures compliance with legal and ethical standards while promoting a network-wide shift toward sustainable practices.

   In the fiscal year, 112 upstream suppliers and 100 downstream dealers were assessed using the MSI, ensuring a consistent and robust sustainability benchmarking approach across the value chain. By reinforcing sustainable practices, the MSI strengthens supply chain resilience and underscores TVS Motor's commitment to sustainability and excellence. Additionally, it supports the company's partnership model, promoting collaboration and shared responsibility among all stakeholders.

   As part of new supplier onboarding, the company also conducted an SA8000 assessment to improve supply chain safety. Ninety-six value chain partners were audited for their safety compliance and supported in identifying around 100 improvements in safety and health.

5. ***Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.***

   The Company encourages its dealers to adopt eco-friendly practices, such as dry washing, to minimize water consumption. Additionally, they are required to implement comprehensive fire safety measures, including fire extinguishers, smoke and fire detectors, and thermal runaway boxes, ensuring a safe and compliant workplace.

   In the FY 2024-25, thirty suppliers (30) developed their action plans to address gaps identified under the MSI assessment. As of date, they are working towards addressing these gaps and achieving the set targets with support from the Company through capacity building & training.

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
From renewable sources			
Total electricity consumption (A)	Gigajoules	3,40,385.39	3,06,833.17
Total fuel consumption (B)	Gigajoules	0	0
Energy consumption through other sources (C)	Gigajoules	0	0
Total energy consumed from renewable sources (A+B+C)	Gigajoules	3,40,385.39	3,06,833.17
From non-renewable sources			
Total electricity consumption (D)	Gigajoules	17,617.68	22,499.84
Total fuel consumption (E)	Gigajoules	3,18,657.28	2,99,342.59
Energy consumption through other sources (F)	Gigajoules	0	0
Total energy consumed from non-renewable sources (D+E+F)	Gigajoules	3,36,274.96	3,21,842.43
Total energy consumed (A+B+C+D+E+F)	Gigajoules	6,76,660.35	6,28,675.6
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in Crores)	Gigajoules	18.67	19.87
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP))	Gigajoules	385.66	588.65
Energy intensity in terms of physical output {Goods sold :(GJ/No of goods)}	Gigajoules	0.14	0.15
Energy intensity (optional) the relevant metric may be selected by the entity.		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency.

Bureau Veritas (India) Pvt. Ltd.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)			
(i) Surface water	kilolitres	24,943	16,329
(ii) Groundwater	kilolitres	5,58,185	5,40,422
(iii) Third party water	kilolitres	34,951	18,533
(iv) Seawater / desalinated water	kilolitres	0	0
(v) Others	kilolitres	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	kilolitres	6,18,079	5,75,284
Total volume of water consumption (in kilolitres)	kilolitres	6,85,168	7,51,457
Water intensity per rupee of turnover (Water consumed / turnover in crores)	kilolitres	18.90	23.65
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	kilolitres	562.33	703.33
Water intensity in terms of physical output {Goods sold :(KL/No of goods)}	kilolitres	0.14	0.17
Water intensity (optional) - the relevant metric may be selected by the entity	kilolitres	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency.

Bureau Veritas (India) Private Limited

4. Provide the following details related to water discharged:

Water discharge by destination and level of treatment (in kilolitres)	UoM	2024-25	2023-24
(i) To Surface water	kilolitres	0.00	0.00
- No treatment	kilolitres	0	0
- With treatment - please specify level of treatment	kilolitres	0	0
(ii) To Groundwater	kilolitres	0.00	0.00
- No treatment)	kilolitres	0	0
- With treatment - please specify level of treatment	kilolitres	0	0
(iii) To Seawater	kilolitres	0.00	0.00
- No treatment	kilolitres	0	0
- With treatment - please specify level of treatment	kilolitres	0	0
(iv) Sent to third parties	kilolitres	0.00	0.00
- No treatment	kilolitres	0	0
- With treatment - please specify level of treatment	kilolitres	0	0
(v) Others	kilolitres	4,06,561.00	3,26,112.00
- No treatment	kilolitres	0	0
- With treatment - please specify level of treatment (Tertiary treatment inhouse zero liquid discharge)	kilolitres	4,06,561.00	3,26,112.00
Total water discharged (in kilolitres)	kilolitres	4,06,561.00	3,26,112.00

Note:

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

Bureau Veritas (India) Pvt. Ltd

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

Yes

If yes, provide details of its coverage and implementation.

TVSM is committed to adopt sustainable water management practices at their manufacturing sites. The company ensures that its facilities do not release any water outside their premises. The Hosur plant in Tamil Nadu is " Zero Liquid Discharge (ZLD") facility in treating industrial wastewater. Additionally, the use of water saving technologies such as optimised appliances and advanced membrane filtration, has led to a 20-50% reduction in raw water usage.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Nox	MT	148.38	55.08
Sox	MT	55.52	78.51
Particulate matter (PM)	MT	84.79	111.92
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)	PMP	4.1	4.3
Hazardous air pollutants (HAP)		0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

Bureau Veritas (India) Private Limited

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)[3]	tCO_2e	20,440.92 (CO_2 –0.98) (CH_4 – 29.33) (N_2O – 43.3) (HFCs-22 –77.44) (ODS –660.78)	22,693.34 (CO_2 – 0.85) (CH_4 – 11.83) (N_2O – 1987.26) (HFCs-22 – 171.42) (ODS – 313.73)
Total Scope 2 emissions16 (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)[3]	tCO_2e	2,963.09	4,393.12
Total Scope 1 and Scope 2 emissions per rupee of turnover (Emission / turnover in crores)	tCO_2 e/ Crore	0.65	0.71
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		19.21	25.37
Total Scope 1 and Scope 2 emission intensity in terms of physical output {Goods sold (tCO_2e/No of goods)}	(tCO_2e/No of goods)	0.0049	0.01
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity		-	-

Note:

1. Restatement of Scope 2 data for 2023-24
2. Emission data: Central Electricity Authority 2024; Department for Environment, Food & Rural Affairs(DEFRA) 2024

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

Bureau Veritas India (Private) Limited

8. Does the entity have any project related to reducing Green House Gas emission?

Yes

If yes, then provide details.

TVS Motor Company is committed to reducing its environmental footprint and conserving energy resources. To achieve this goal, the company implements several key initiatives, which not only contribute to a healthier planet but also lead to cost savings and improved operational efficiency.

- **Renewable energy mix:** TVS Motor Company actively relies on renewable energy sources, a strategy that has proven successful. As of 31 March,'25, 95.32% of its total energy mix was renewable energy. This includes augmenting its wind energy capacity and procuring green power through the Indian Energy Exchange. These efforts help reduce dependence on fossil fuels and associated emissions.
- **Energy Efficiency Upgrades:** TVS Hosur facility, a beacon of our commitment to sustainability, was certified under ISO 50001:2018 for its energy management systems. Additionally, provision for occupancy sensors in all R&D offices, elimination of heaters in washing machines etc.

9. *Provide details related to waste management by the entity, in the following format:*

Parameter	Unit	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)			
Plastic waste (A)	metric tonnes	582.23	504.32
E-waste (B)	metric tonnes	36.4	29.33
Bio-medical waste (C)	metric tonnes	0.629	0.39
Construction and demolition waste (D)	metric tonnes	0	0
Battery waste (E)	metric tonnes	792.25	114.17
Radioactive waste (F)	metric tonnes	0	0
Other Hazardous waste. Please specify, if any. (G)- Used Oil, Waste containing traces of oil, Phosphate Sludge, Spent Solvents, Used Containers, Chemical Sludge, Paints Sludge, ATFD salt	metric tonnes	4,237.58	4,190.03
Other Non-hazardous waste generated (H)- Metallic waste, Composite Fibre, Paper, Wood, Cardboard, Thermocol, Rubber	metric tonnes	15,253.11	12,344.6
Total (A+B + C + D + E + F + G + H)	metric tonnes	20,902.199	17,182.84
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	metric tonnes	0.58	0.52
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	metric tonnes	16.52	15.49
Waste intensity in terms of physical output {Goods sold (Tonne/No of goods)}		0.0044	0.0039
Waste intensity (optional) the relevant metric may be selected by the entity			
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	metric tonnes	17,967.76	13,556.80
(ii) Re-used	metric tonnes	0	0.00
(iii) Other recovery operations	metric tonnes	0	0.00
Total	metric tonnes	17,967.76	13,556.80
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration- BioMedical Waste	metric tonnes	0.70	0.38
(ii) Landfilling	metric tonnes	0	80.09
(iii) Other disposal operations- The remaining hazardous waste disposed to cement industry for Co-Processing	metric tonnes	2,933.81	2,906.14
Total	metric tonnes	2,934.439	2,986.61

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency.

Bureau Veritas (India) Private Limited

10. *Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes*

TVS Motor is dedicated to achieving Zero Waste to Landfill across all operations. The Company's comprehensive waste management plan ensures responsible handling, disposal, and resource recovery, aligning with this ambitious goal and our broader vision of sustainability. During the reporting period, 3 of its manufacturing facilities in India were certified as "Zero Waste to Landfill Facility" by Confederation of Indian Industries (CII).

Hazardous Waste Management: Total hazardous waste generated is sent for co-processing in cement plants, which is converted into alternative fuel, minimizing environmental impact and promoting circularity.

Non-Hazardous Waste Management: All non-hazardous waste is recycled.

Continuous reduction of Hazardous & Toxic Chemicals: At TVS Motor, the Company's commitment to sustainability is ongoing. The Company has adopted a strategy focused on process optimization, material substitution, and sustainable sourcing to reduce hazardous and toxic chemicals. TVS Motor is continuously working towards phasing out hazardous substances, replacing them with eco-friendly alternatives, and implementing closed-loop recycling systems to minimize waste generation

11. *If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:*

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons there of and corrective action taken, if any.
			Not Applicable	

12. *Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:*

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
		Not Applicable			

13. *Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). Yes*

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
			Not Applicable	

LEADERSHIP INDICATORS

1 *Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):* ***TVSM does not operate in water stress areas.***

Water withdrawal, consumption and discharge in areas of water stress

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)			
Surface water	kilolitres	Not applicable	Not applicable
Groundwater	kilolitres	Not applicable	Not applicable
Third party water	kilolitres	Not applicable	Not applicable
Seawater / desalinated water	kilolitres	Not applicable	Not applicable
Others	kilolitres	Not applicable	Not applicable
Total volume of water withdrawal (in kilolitres)	kilolitres	Not applicable	Not applicable
Total volume of water consumption (in kilolitres)	kilolitres	Not applicable	Not applicable
Water intensity per rupee of turnover (Water consumed / turnover)	kilolitres	Not applicable	Not applicable
Water intensity (optional) - the relevant metric may be selected by the entity	kilolitres	Not applicable	Not applicable
Water discharge by destination and level of treatment (in kilolitres)			
(i) Into Surface water			
- No treatment	kilolitres	Not applicable	Not applicable
- With treatment - please specify level of treatment	kilolitres	Not applicable	Not applicable
(ii) Into Groundwater			
- No treatment	kilolitres	Not applicable	Not applicable
- With treatment - please specify level of treatment	kilolitres	Not applicable	Not applicable
(iii) Into Seawater			
- No treatment	kilolitres	Not applicable	Not applicable

Parameter	Please specify unit	FY 2024-25	FY 2023-24
- With treatment - please specify level of treatment	kilolitres	Not applicable	Not applicable
(iv) third party water			
- No treatment	kilolitres	Not applicable	Not applicable
- With treatment - please specify level of treatment	kilolitres	Not applicable	Not applicable
(v) Others			
- No treatment	kilolitres	Not applicable	Not applicable
- With treatment - please specify level of treatment	kilolitres	Not applicable	Not applicable
Total water discharged (in kilolitres)	kilolitres	Not applicable	Not applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) Not applicable

If yes, name of the external agency.

2. ***Please provide details of total Scope 3 emissions & its intensity, in the following format:***

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)- Across 11 categories	tCO_2e	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

3. ***With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.***

Not Applicable

4. ***If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:***

	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
1	Heat Recovery	Introduction of compressor waste heat recovery system powder coating process installed at Hosur Plant where waste heat recovery from compressor is utilized in place of burner	Reduction of Heat pump power consumption by 2.4 lakh units per annum (800 units/day) and Reduction of Fuel consumption by 54000 kgs per annum (180 kgs/day)	-
2	Glass water bottle	Glass water project implemented at Hosur and an average of 750 bottles are distributed daily to Hosur, TVS IQL, Electronic City and Koramangala offices.	Elimination of Single Use Plastic (SUP) water bottles preventing from Land & water contamination and Keeping employees hydrated.	-
3	Infrastructure upgradation	Sewage Treatment Plant of 400 KLD capacity established at Mysuru plant and the designed treated water quality parameters achieved.	Improve treated sewage water quality, less operational cost and Suitable for secondary applications.	-
4	Screw press	Bio-Sludge Dewatering unit with mechanical fine screen installed to remove the moisture from Sewage sludge generated during the treatment.	Reduces sludge volume, Dewatered sludge are repurposed as compost, Protects downstream equipment such as pumps and membranes from blockages.	-
5	Sustainable water management	TVSM has taken conservation efforts like rainwater harvesting, recycling, Zero Liquid Discharge, and process optimization to reduce freshwater dependency.	Achieved Water Positive certification across its manufacturing plants located in Hosur, Tamil Nadu with Water Positive Ratio – 1.21, Mysuru, Karnataka with Water Positive Ratio – 1.24 and Nalagarh, Himachal Pradesh with Water Positive Ratio – 1.49.	-

	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
6	Energy-Efficient EC fan	Conversion of conventional air supply unit blowers into energy efficient electronically commutated fans at Hosur Plant.	1000 Kwh reduction in paint plant power consumption	-
7	Compressor Optimization	Pressure based on load pattern was replaced using Compressor optimization at Hosur plant	Elimination of compressed air requirement which resulted in saving 31000Kwh per Year	-
8	Heat pump	Implementation of Heat pump system to pretreatment process at Hosur Plant.	Fuel Saving (410 Kg per Year of Propane)	-
9	Sensor Installation	Provision for occupancy sensor in R&D centre office areas	Power consumption reduction by (1100890 Kwh per Year)	-

6 Does the entity have a business continuity and disaster management plan?

Yes

Yes, TVSM has a comprehensive Business Continuity and Disaster Management Plan in place. This plan focuses on risk identification, maintaining critical operations during disruptions, and ensuring swift recovery. It incorporates data backup and recovery protocols, alternative communication methods, and designated response teams to manage emergencies effectively. Regular drills and simulations enhance preparedness, while continuous reviews and updates ensure adaptability to evolving risks. By minimizing downtime, protecting assets, and maintaining operational resilience, TVSM's plan safeguards both its business continuity and reputation, reinforcing its ability to withstand and recover from disruptions.

7 Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

In FY'24, TVSM conducted double materiality assessment to assess their supply chain management and identified area of risk and opportunities. The Company has demonstrated its dedication to sustainability through strategic sourcing and supplier engagement. Materials are selected based on their quality and sustainability. By partnering with suppliers committed to environmental stewardship and human rights, the Company aims to minimise its environmental impact and promote a more sustainable, ethical automotive industry.

8 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Out of 445 critical suppliers 112 were targeted in phase I of My Sustainability Index (MSI) which constitute 57% of overall suppliers based on spend basis. Among Dealers 100 were targeted under Phase I of MSI where 95 dealers were assessed on environmental impacts.

9 How do you track & strengthen green credit generation by company and value chain. How many Green Credits have been generated or procured:

a. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

TVS Motor is actively exploring opportunities to earn carbon credits through the sale and widespread adoption of electric vehicles (EVs). The Company aims to generate verified carbon credits under national and international frameworks. The proposed strategy includes integrating digital MRV systems, engaging with carbon registries, and ensuring third-party verification for transparency. This approach not only supports India's Green Credit Programme but also reinforces the company's journey net-zero. As EV adoption grows, the Company envision' s creating a scalable model that links green mobility to measurable environmental and economic value.

If (b), not applicable, to be specified

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

10

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	BCIC Bangalore Chamber of Industry and Commerce	National
2	IMTMA Indian Machine Tool Manufacturers Association	National
3	SIAM - Society of Automotive Manufacturers	National
4	CII - Confederation of Indian Industry	National
5	EFI - Employers Federation of India	National
6	EFSI - Employers Federation of South India	State
7	HIA - Hosur Industries Association	State
8	KEA - Karnataka Employers Association	State
9	BBNIA - Baddi Barotiwala Nalagarh Industries Association	State
10	IMA - Indian Management Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Not applicable	

LEADERSHIP INDICATOR

1. Details of public policy positions advocated by the entity:

S. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain	Frequency of review by Board (Annually,Half-Yearly,Quarterly,Others)	Web Link (if Available)
			Not Applicable		

The company does not have separate advocacy policy in place. The company collaborates with Industry associations to advocate public policy.

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web Link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
				Not Applicable		

3. ***Describe the mechanisms to receive and redress grievances of the community.***

Village Development Officers (VDOs) play a crucial role in bridging the gap between government programs and rural communities. Their physical presence within villages allows for:

- Firsthand understanding of community needs: VDOs can directly observe and interact with residents, gaining a clear picture of community challenges and priorities.
- Immediate feedback mechanisms: VDOs can gather community feedback on existing programs and identify areas for improvement. VDOs facilitate effective program implementation through ongoing interaction.
- SHG meetings: Regular engagement with Self-Help Groups (SHGs) fosters community participation and ensures program alignment with local needs.
- Collaboration with Community Based Organizations and NGOs: VDOs work alongside other NGOs and CBOs, leveraging their expertise and connections, for capacity building and sustainability.
- Collaboration with government officials: VDOs collaborate closely with officials from panchayat, block, and district levels to gather their input. This helps ensure that government schemes reach the intended beneficiaries effectively, even in the most remote areas.
- Community meetings in Villages: Engaging with key stakeholders within the village to discuss matters related to infrastructure renovation or water conservation, to ensure the proper upkeep and long-term maintenance of the renovated structures.

4. ***Percentage of input material (inputs to total inputs by value) sourced from suppliers:***

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	4.4	6.62
Directly from within India	84	93

5. ***Job creation in smaller towns and disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost***

Location	FY 2024-25	FY 2023-24
Rural	74.76	75.82
Semi-urban	10.79	0.00
Urban	12.96	2.41
Metropolitan	1.49	1.40

LEADERSHIP INDICATORS

1. ***Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):***

TVSM adheres to the practice of conducting Social Impact Assessments (SIAs) for all greenfield projects. However, during the fiscal year 2024-25, no SIAs were conducted.

Details of negative social impact identified	Corrective action taken
	Not applicable

2. ***Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:***

TVSM does not operate in any aspirational districts.

S. No.	State	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
		Not Applicable	

3. ***(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - No***

If NA

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

4. *Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:*

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		NIL		

5. *Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.*

Name of authority	Brief of the Case	Corrective action taken
	NIL	

6. *Details of beneficiaries of CSR Projects:*

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Holistic rural development in tribal habitations of Tamil Nadu, Karnataka, and Andhra Pradesh	85,000	100
2	Renovation of Anganwadis, schools, hostel, health centres, veterinary centres and other rural community infrastructure	1,00,000+	85
3	Medical consultations conducting general health camps, dental camps and eye camps in schools, simple diagnostics, and medicines free of cost at medical centres & Mobile medical units	3,00,000+	75
4	Desilting of water storage bodies and channels	4,000+	75
5	Livelihood initiatives for women in Self-Help Groups	20,000+	70
6	Improving learning outcomes of children in primary and middle schools	5,200+	90
7	Improving life-skills among children	1,200+	90
8	Conducting awareness programs for agriculture and livestock farmers	50,000+	75
9	Beneficiaries of social security schemes	10,000+	95
10	Conducting hygiene awareness programs for children	7,000+	90

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. *Describe the mechanisms in place to receive and respond to consumer complaints and feedback.*

TVS Motor Company has a two-tiered complaint redressal system:

- Tier 1: General Complaints:
  - Channels: Customers can submit general complaints related to sales or service online or via email to customercare@tvsmotor.com
  - Resolution: A dedicated team within the sales or service department addresses these complaints.
- Tier 2: Escalated Complaints:
  - Scope: This tier handles unresolved complaints, disputes, and privacy-related concerns.
  - Process: The legal department manages these escalated issues, ensuring adherence to legal due process.

Customer Focus: TVS Motor Company has a company-wide policy of prioritizing customer satisfaction. This principle applies to the handling of all complaints at both parties.

2. *Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:*

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	5

3. *Number of consumer complaints in respect of the following:*

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other						

4. *Details of instances of product recalls on account of safety issues:*

	Number	Reasons for recall
Voluntary recalls	41675	The company is carrying out detailed inspection and simultaneously ensuring affected customers issues are addressed with no additional monetary receipts
Forced recalls	0	NA

5. *Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)*

Yes

If available, provide a web-link of the policy. https://www.tvsmotor.com/privacy-policy

TVS Motor Company prioritizes information security and upholds a strong cybersecurity framework. It has maintained ISO 27001 certification, an international standard for information security management systems, for 15 years, demonstrating its commitment to best practices. The company conducts annual internal audits to identify and mitigate potential cybersecurity risks. Additionally, an external cybersecurity council comprising independent specialists provides expert guidance on threat management. To further strengthen its security posture, TVS Motor also undergoes periodic external security audits, ensuring an objective assessment of its cybersecurity measures. These initiatives collectively reinforce the company's commitment to safeguarding data and digital assets.

If NA, provide details.

6. *Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.*

TVS Motor Company adopts a comprehensive approach to safeguarding data privacy and security. It enhances detection and monitoring systems to ensure compliance with advertising regulations while optimizing service delivery processes to improve efficiency and reduce security risks. The company implements advanced cybersecurity measures, including frequent security audits to identify vulnerabilities and ongoing personnel training to strengthen awareness and threat prevention. TVS Motor also reinforces data privacy through updated privacy policies aligned with regulations, enhanced encryption methods to protect sensitive data, and continuous monitoring to ensure compliance. This proactive approach enables the company to maintain a secure and resilient data environment.

7. *Provide the following information relating to data breaches:*

	Number
Number of instances of data breaches	Nil
Percentage of data breaches involving personally identifiable information of customers	Nil
Impact, if any, of the data breaches	Nil

LEADERSHIP INDICATORS

1 *Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).*

The information on various products & services of the Company is available on your website: https://www.tvsmotor.com/our-products/vehicles

Additionally, the information regarding the entity and its products is also conveyed through user manual and social media.

2. ***Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.***

The company adheres to all disclosure requirements for its services in accordance with guidelines on product and service labelling within risk and disclosure categories. Additionally, it provides a comprehensive user manual to educate customers on the responsible usage of its products, ensuring transparency and informed decision-making.

3. ***Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.***

TVSM utilizes various communication channels, such as email alerts, SMS notifications, website announcements, and social media updates, to promptly notify consumers about potential service disruptions or discontinuations. These proactive measures ensure transparency and enable consumers to take necessary precautions or explore alternative solutions.

4. ***Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) - Yes***

If yes, provide details in brief.

TVS Motor Company is dedicated to ensuring clear and accessible customer communication, going beyond legal requirements. It provides detailed brochures and leaflets outlining its services, maintains a transparent website with comprehensive product and service information, and offers a mobile app for easy access to loan-related details. Additionally, the company conducts regular market research to understand customer needs, enhance product offerings, improve services, and refine grievance redressal processes.

Did your entity carry out any survey regarding consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes-Every year, TVS Motor Company (TVSM) conducts a customer satisfaction survey to gauge customer sentiments thru renowned agency along with JD Power.

In the fiscal year 2024-25, TVS Motor Company has achieved the **No. 1 overall ranking** in the **Customer Satisfaction Index (CSI)** with an impressive score of **857 out of 1000**.

Segment-wise Performance:

- Premium Segment: TVSM secured No. 1 position with a score of 869, surpassing the industry average of 836.
- Commuter Segment: TVSM proudly ranked No. 1 with a score of 859, exceeding the industry average of 838.
- Scooter Segment: TVSM claimed the top spot with a score of 852, outperforming the industry average of 834.

Additionally, TVS Motor Company secured the **No. 1 ranking across all attributes** in the CSI Survey, reaffirming its excellence in customer satisfaction as per the **JD Power Satisfaction Index**.

For and on behalf of the Board of Directors

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

Bengaluru
5th June 2025

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT

To

The Board of Directors of TVS Motor Company Limited

Introduction and objectives of work

The Board of Directors of **TVS Motor Company Limited** (the 'Company') have engaged us for providing Assurance Report on identified sustainability information in the Business Responsibility & Sustainability Report (BRSR) of the Company for the Financial Year (FY) ended on March 31, 2025.

Intended User

The assurance statement is made solely for "**TVS Motor Company Limited (herein after TVS)**" and its stakeholders" as per the governing contractual terms and conditions of the assurance engagement contract between "TVS" and "Bureau Veritas". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "TVS" for the work we have performed for this assurance report, or our conclusions stated in the paragraph below.

Scope of Work

We have performed the ***Reasonable Assurance engagement for BRSR (Core)*** parameters and ***Limited Assurance for non-core*** parameters in accordance with International Standard on Assurance Engagements (ISAE) 3000(Revised) and in line with the requirements of Bureau Veritas's standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The reporting boundaries considered for the BRSR Report for the FY 2024-25, cover the 2 & 3-wheeler (IC engines & Electric Vehicles) Manufacturing Plants, Corporate Office, Marketing Office, Test Track and Training Center.

Site 1:
TVS Motor Company, Post Box No:4, Harita, Hosur, Krishnagiri District, Tamil Nadu, PIN Code - 635109, India and the test track.

Site 2:
TVS Motor Company, Post Box:1, Byathahalli village, Kadakola Post, Mysuru District, Karnataka, PIN Code -571311, India

Site 3:
TVS Motor Company, Village Bhatian, Bharatgarh Road, Nalagarh, Solan District, Himachal Pradesh, PIN Code-174101, India.

Site 4:
IQL (Training Center), Attibele - Anekal Roadd, Thattanahalli, Karnataka, PIN Code – 562107, India.

Corporate Office:
Chaitanya, No. 12, Khader Nawaz Khan Road, Nungabakkam, Chennai, Tamil Nadu, Pin Code – 600006, India.

Marketing Office:
No. 383, TVS Pride, 2nd Floor, Near BDA Complex, Sarjapur Road, 16th Main Road, Koramangala 3rd Block, Bengaluru, Karnataka, PIN Code -560034, India.

Office:
Prathik Tech Park, 93/4, Electronics City Phase 1, Bengaluru, Veerasandra Road, Electronic City, Bengaluru, Karnataka, PIN Code – 560100, India

As part of its independent Reasonable assurance, we assessed the appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze and review the information reported. In this process, we undertook the following activities:

Assessment was conducted by means of physical site visits at Hosur Plant & Test Track, located in Tamil Nadu, Mysuru Unit in Karnataka, Nalagarh Plant in Himachal Pradesh, Corporate Office in Chennai, Tamil Nadu, IQL (training center) in Anekal, Karnataka and remote verification at both Electronic City and Koramangala offices in Bengaluru, Karnataka. Bureau Veritas team interviewed personnel of **TVS Motor Company Limited's** Environment, Employee Resource Management (ERM), Health & Safety (EHS) team, HR, Facilities, Finance and Accounts, Engineering, Purchase, Sustainability Team and other relevant departments.

- The assurance process involved carrying out an Assessment by experienced assessors from Bureau Veritas.
- The Company submitted performance data on reported BRSR (core) topics. The data pertaining to each plant was assessed by Bureau Veritas during the audit visit and through the process above described.
- Data on various BRSR (core) disclosures was assessed for the locations as mentioned above. Later, it was confirmed that the same assessed data went into preparation of the final data within the BRSR Report of FY: 2024-25.

Management Responsibility

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the BRSR report are the sole responsibility of the **TVS Motor Company Limited** and its management. We are not involved in drafting or preparation of the BRSR Report. Our sole responsibility is to provide independent Reasonable Assurance on the BRSR report for the financial year ended 31st March 2025.

The reasonable assurance includes verification of the data and information on selected material BRSR Core topics reported at in the following:

Sl.No	Attribute	Parameter	Cross Reference to the BRSR
1	Greenhouse Gas (GHG) Footprint	Scope 1 Emissions	Principle 6, Question 7 of Essential Indicators
		Scope 2 Emissions	
		GHG Emission Intensity	
2	Water Footprint	Total Water Consumption	Principle 6, Question 3 of Essential Indicators
		Water Intensity	
		Water Discharge	Principle 6, Question 4 of Essential Indicators
3	Energy Footprint	Total Energy Consumed	Principle 6, Question 1 of Essential Indicators
		% from Renewable Sources	
		Energy Intensity	
4	Waste Management (Circularity)	Category-wise Waste Generation	Principle 6, Question 9 of Essential Indicators
		Waste Intensity & Recovery	
5	Employee Wellbeing and Safety	Spending on Well-being	Principle 3, Question 1(c) of Essential Indicators
		Safety Incidents	Principle 3, Question 11 of Essential Indicators
6	Gender Diversity	Wages Paid to Females	Principle 5, Question 3(b) of Essential Indicators
		POSH Complaints	Principle 5, Question 7 of Essential Indicators
7	Inclusive Development	MSME/Indian Sourcing	Principle 8, Question 4 of Essential Indicators
		Wages in Smaller Towns	Principle 8, Question 5 of Essential Indicators
8	Customer & Supplier Fairness	Data Breach Incidents	Principle 9, Question 7 of Essential Indicators
		Accounts Payable Days	Principle 1, Question 8 of Essential Indicators
9	Business Openness	Related Party Transactions & Concentration	Principle 1, Question 9 of Essential Indicators

Our Findings

On the basis of our methodology and the activities described above,

- Nothing has come to our attention to indicate that the BRSR disclosures are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability/Non-Financial performance disclosures in the BRSR.
- The BRSR Report provides a fair representation of the Company's activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the Company and status during the reporting period.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention) by **TVS Motor Company Limited** and statements of future commitment.
- Competitive claims in the report claiming, "first company in India", "first time in India", "first of its kind", etc.

Our assurance does not extend to the activities and operations of **TVS Motor Company Limited** outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of Independence, Integrity, and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 196 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

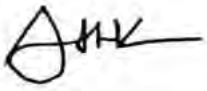
The assurance team for this work does not have any involvement in any other Bureau Veritas projects with **TVS Motor Company Limited**.

Competence

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Restriction on use of Our Report

Our Reasonable assurance report has been prepared and addressed to the Board of Directors of the **TVS Motor Company Limited** at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addresses of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.



Mr. Senthil Kumar. V
Lead Assuror
Bureau Veritas India Private Limited
Date: 05/06/2025
Place: Bengaluru, India

Mr. Munji Rama Mohan Rao
Technical Reviewer
Bureau Veritas India Private Limited
Date: 05/06/2025
Place: Hyderabad, India

Annexure VII

to Directors' Report to the shareholders

Report on Corporate Governance

1. The Company's Commitment to Responsible Governance

The Company has a strong legacy of fair, transparent and ethical governance practices. Company's businesses seek enhancement of shareholder value within this framework. The Company's philosophy on corporate governance is founded on the fundamental ideologies viz., Trust, Value, Exactness and Passion for Customers.

The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built.

The Company would constantly endeavour to improve on these aspects.

Good corporate governance, acting in accordance with the principles of responsible management which aimed at increasing enterprise value on a sustainable basis, is an essential requirement for the Group.

The Company's corporate governance philosophy has been further strengthened by adopting a Code of Business Conduct and Ethics, Whistle Blower Mechanism, Code of Conduct to Regulate, Monitor and Report trading by Directors Designated Persons and their Immediate Relatives and Code of practices for fair disclosure of price sensitive information.

2. Board of Directors

The Company has a distinguished Board of Directors (the Board) and comprised of highly respected individuals possessing extensive professional experience and expertise. The Board provides strategic direction and oversight to the management team. This ensures the Company operates in the best interests of all stakeholders, ultimately maximizing long-term value.

2.1 Composition and category of Directors:

The Board recognizes the importance of fostering a balanced composition. Board leverages the strengths through long-standing directors contribute institutional knowledge and a deep understanding of the Company's history and strategic direction. Their experience provides valuable context for informed decision-making and newer appointees bring external insights and diverse viewpoints, challenging assumptions and sparking innovation. This nurtures a dynamic and forward-thinking Board culture.

By implementing a gradual refreshment process, the Board benefits from a continuous exchange of knowledge and ideas. This ensures long-term effectiveness and ultimately drives sustainable value creation for all stakeholders.

As per the amended Articles of Association of the Company, periodic shareholders' approval is required for all the Directors including Promoter Directors, thereby, the Company ensures that all directors serving on the Board or appointed to the Board is put up to shareholders for approval on regular intervals.

The following changes have been effected during the year on the composition of Board of Directors

Name of the Director (M/s.)	Nature	Date of approval		Tenure	Effective date
		Board	Shareholders		
Vijay Sankar	Appointment	20.03.2024	10.05.2024	5 years	20.03.2024
Shailesh Haribhakti	Appointment	20.03.2024	10.05.2024	5 years	01.04.2024
C R Dua	Cessation due to Completion of Tenure	-	-	-	13.07.2024
Hemant Krishan Singh		-	-	-	13.07.2024
Dr. Lakshmi Venu	Retirement	-	-	-	06.08.2024
Kuok Meng Xiong	Resignation	-	-	-	06.08.2024

The terms of appointment include the remuneration payable to them by way of fees and profit related commission, if any.

As on 31st March 2025, the total strength of the board was eight. Prof Sir Ralf Dieter Speth, Non- Executive Director, being Chairman, the required composition of the Board with one-third of its directors as Independent Directors and also to have at least one Woman Independent Director in terms of the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) was complied with.

As on 31st March 2025, the Board has four Independent Directors (ID) *viz.*, M/s Shailesh Haribhakti, B Sriram, Dr. Deepali Pant Joshi, and Vijay Sankar.

Mr Venu Srinivasan, Chairman Emeritus & Managing Director (CE&MD), Mr Sudarshan Venu, Managing Director (MD) and Mr K N Radhakrishnan, (Director & CEO) are Executive Directors. Thus, the composition

of the Company's Board is in conformity with the Listing Regulations.

The Board of Directors is comprised of highly qualified Non-Executive Directors possessing a diversified range of industry backgrounds. This composition fosters a Board with the following strengths:

- **Deep Industry Knowledge:** Directors bring expertise from a multitude of industries, including financial services. Their experience in navigating complex organizational environments translates to valuable insights for the Company. This promotes a keen understanding of the industry's unique challenges and opportunities, enabling the Board to make informed strategic decisions.
- **Commitment to Board Diversity:** The Company prioritizes cultivating a diverse Boardroom, recognizing the significant benefits of a variety of perspectives in driving effective decision-making and fostering innovation.

By leveraging this combination of industry expertise, long-term industry understanding, and a commitment to diversity, the Board is well-positioned to provide effective leadership and strategic guidance, ensuring the Company's continued success.

As required under Regulation 16 of the Listing Regulations, it is also ensured that Independent Directors do not hold non-independent directorship position in another company, where any non-independent director of the Company is an independent director.

In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

In accordance with the provisions of the Act, 2013 and the Articles of Association of the Company, Mr Venu Srinivasan and Prof Sir Ralf Dieter Speth, Directors, who have been the longest in office, are liable to retire by rotation at the ensuing AGM.

Mr Venu Srinivasan, Director, being eligible, offers himself for re-appointment and the same has been recommended by the Board.

Prof Sir Ralf Dieter Speth, has requested not to consider his re-appointment at the ensuing Annual General Meeting and will cease to be Director and consequently as Chairman of the Company effective the close of business hours on the date of the ensuing Annual General Meeting on 22nd August 2025.

The resolution seeking approval of the members for the re-appointment of Mr Venu Srinivasan, Director, retiring by rotation has been included in the Notice of AGM along with brief details about him.

2.2 Elevation of Mr Sudarshan Venu as Chairman of the Company

The Board of Directors at its meeting held on 5th June 2025, approved the elevation of Mr Sudarshan Venu as the Chairman of the Company effective 25th August 2025 in recognition of his exemplary contributions to the Company's sustained growth and strategic development during his tenure as Director.

Mr Sudarshan Venu will be designated as Chairman and Managing Director effective 25th August 2025.

2.3 Board Meetings:

The Company is committed to ensuring a well-informed and engaged Board of Directors.

- **Advanced Planning and Scheduling:** In consultation with the Directors, a tentative annual calendar for Board and Committee meetings is prepared and circulated well in advance. This enables Directors to effectively plan their schedules and maximize participation.
- **Accessibility Through Technology:** Recognizing the diverse needs of our Directors, we offer participation in all Board and Committee meetings via video conferencing also. This flexibility promotes broader participation and informed decision-making.
- **Comprehensive Information Sharing:** The Company adheres to the highest standards of transparency by regularly presenting the Board with all information mandated by Part A of Schedule II to the Listing Regulations. This includes critical data such as annual operating plans, capital expenditure budgets with quarterly updates, quarterly results and committee minutes. Additionally, the Board receives information on significant developments in human resources, industrial relations, legal matters, foreign exchange exposures, risk management strategies, and legal compliance.
- **In-Depth Materials and Discussions:** To facilitate well-informed decision-making, comprehensive notes and pre-agenda materials are circulated well in advance for each meeting. This allows Directors to delve deeper into agenda items, contribute meaningfully, and exercise sound business judgment during discussions.
- **Engaging Presentations:** Business unit leaders present on the Company's operations, risk management practices, and internal financial controls during Board and Audit Committee meetings. External experts are also invited to provide specialized insights wherever necessary. Furthermore, CEOs of subsidiaries present quarterly performance updates to the Audit Committee and Board.
- **Digital Agenda and Materials:** The Company prioritizes environmental friendly practices by utilizing a digital application installed on iPads for circulating meeting agendas. Additionally, all supporting materials and notes for Board and Committee meetings are uploaded electronically well in advance, ensuring easy access and promoting a paperless environment.

These practices combined to create a dynamic and informative environment for Board and Committee meetings, fostering effective governance and informed decision-making that ultimately benefits all stakeholders.

During the year 2024-25, the board met five (5) times viz., 8th May 2024, 6th August 2024, 23rd October 2024, 28th January 2025 and 20th March 2025 and the maximum gap between two consecutive board meetings did not exceed one hundred and twenty days. Besides the IDs held a separate meeting on 6th March 2025 in compliance with the provisions of the Companies Act, 2013 (Act, 2013) and Regulation 25(3) of the Listing Regulations.

2.4 Attendance and other directorships:

The details of attendance of the Directors at the board meetings during the year 2024-25 and at the last AGM held on 6th August 2024 and other Directorships and committee Memberships/ Chairmanships as on 31st March 2025 are as follows:

Name of the Director (M/s)	DIN	Category	Attendance Particulars		Number of other Directorships (including alternate directorships, if any) and Committee Memberships/ Chairmanships		
			Board meetings	Last AGM	Other directorships*	Committee memberships**	Committee chairmanships
Prof. Sir Ralf Dieter Speth	(03318908)	NED	5	Yes	9	-	-
Venu Srinivasan	(00051523)	ED	5	Yes	24	1	-
Sudarshan Venu	(03601690)	ED	5	Yes	17	2	1
K N Radhakrishnan	(02599393)	ED	5	Yes	6	2	1
Shailesh Haribhakti@	(00007347)	ID	5	Yes	18	8	4
Dr. Deepali Pant Joshi	(07139051)	ID	5	Yes	9	8	7
Vijay Sankar	(00007875)	ID	4	Yes	19	3	-
B Sriram	(02993708)	ID	5	Yes	8	5	2
C R Dua$ (upto 13.07.2024)	(00036080)	ID	1	NA	-	-	-
Kuok Meng Xiong$ (upto 06.08.2024)	(09117910)	ID	-	No	-	-	-
Hemant Krishan Singh$ (upto 13.07.2024)	(06467315)	ID	1	NA	-	-	-
Dr. Lakshmi Venu$ (upto 06.08.2024)	(02702020)	NED	-	No	-	-	-

NED: Non Executive Director ED: Executive Director ID: Independent Director NA: Not Applicable

*includes private companies, section 8 companies and companies incorporated outside India. ** includes committees where the director holds the position of chairman.

$ Details of Directorship and Committee membership / chairmanship are not disclosed for those who ceased to be member of the Board during the year.

@ Appointed as a Non - Executive Independent Director wef 1st April 2025.

For the membership and chairpersonship in Committees only Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which they are Directors. Mr Venu Srinivasan, Chairman Emeritus & Managing Director is the father of Mr Sudarshan Venu, Managing Director and are related to each other. None of the other existing Directors on the Board are related to any other Director on the Board. The number of Directorships, Committee

Memberships / Chairmanships of all Directors are within the respective limits prescribed under the Act, 2013 and the Listing Regulations.

2.5 Listed entities in which the directors hold position as director other than the Company and category of Directorship:

Name of the Director (M/s.)	Name of the Listed company*	Category of directorship
Prof. Sir Ralf Dieter Speth	-	-
Venu Srinivasan	TVS Holdings Limited	Non - Executive Chairman
	Sundaram - Clayton Limited	Chairman Emeritus & Managing Director
Sudarshan Venu	TVS Holdings Limited	Managing Director
	Coromandel International Limited	Non - Executive Independent Director
K N Radhakrishnan	-	-
Shailesh Haribhakti	Swiggy Limited	Non - Executive Independent Director
	Bajaj Electricals Limited	
	Adani Total Gas Limited	
	Protean Egov Technologies Limited	Non- Executive, Chairman
Dr. Deepali Pant Joshi	Coromandel International Limited	Non - Executive Independent Director
	LMW Limited	
	Aurobindo Pharma Limited	
Vijay Sankar	Chemplast Sanmar Limited	Non- Executive, Chairman
	Transport Corporation of India Limited	Non - Executive Independent Director
	Oriental Hotels Limited	
B Sriram	ICICI Bank Limited	Non - Executive Independent Director
	Nippon Life India Asset Management Limited	
	TVS Supply Chain Solutions Limited	

* Directorship held in High Value Debt Listed Entities has not been included.

None of the non-executive directors holds directorships in more than seven listed entities and serves as an independent director. As far as, Managing Director / Whole-Time Director in the Company are concerned, they do not serve as an Independent Director in more than three listed entities.

2.6 Access to information and updation to Directors:

The Board of Directors actively engages with the information presented during meetings. All materials provided are meticulously reviewed in accordance Companies Act, 2013, Listing Regulations and other applicable laws, if any. Functional heads are invited to attend and present relevant information to the Board and Audit Committee as needed.

- Observations from internal audits are presented for discussion and addressed with functional heads by the Audit Committee/Board.
- The Statutory Auditors' compliance report on payment of statutory liabilities is reviewed and discussed with relevant functional heads.
- The Board reviews quarterly declarations submitted by the Director & CEO and the Chief Financial Officer confirming adherance with all applicable laws by relevant functional heads.
- Decisions reached during Board and Committee meetings are promptly communicated to the functional heads responsible for implementation.
- Action taken reports detailing progress on previous meeting decisions are presented at subsequent Board and Committee meeting, ensuring accountability and continuous improvement.

These practices ensure a thorough and transparent review process during Board and Committee meetings.

2.7 Familiarization program

The Company is dedicated to ensuring that all new Directors are well-equipped to contribute effectively from day one. We achieve this through a comprehensive induction program that covers the following key areas:

- Board Fundamentals: New Directors gain a thorough understanding of the Board's role, composition, conduct, and associated risks and responsibilities. This ensures they are fully informed on the best governance and practices by the Company.
- Company's Culture: The program delves into the Company's culture, values, and business model. Directors receive briefings on the roles and responsibilities of senior executives, along with the Company's financial, strategic, operational, and risk management landscape.
- Hands-on Experience: To gain a deeper understanding of the Company's operations, new Directors participate in a plant visit. This firsthand experience provides valuable insights into the

manufacturing process and overall company activities. Additionally, a plant visit allows the new Directors to observe the Company's initiatives.

For more detailed information on the Director induction program, please refer to the dedicated section on the Company website, accessible through the link provided on page 208 of this Annual Report.

2.8 Chart setting out the skills/expertise/competence of the Board of Directors:

While evaluating the Board as a whole, it was ensured that the existing board members have relevant core skills/ expertise / competencies as required in the context of its business(es) and sector(s) to function effectively.

Skill / Expertise/ Competency	Description
Leadership/ Strategy	Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, sales & marketing, business administration/operations and Organisations and people management.
Automotive Experience/ Engineering	Strong knowledge and experience in automotive industry and in managing business operations of a sizeable organization in the business of manufacture and sale of automobiles.
Financial	Practical knowledge and experience in Finance, accounting and reporting and internal financial controls, including strong ability to asses financial impact of decision making and ensure profitable and sustainable growth.
Governance	Board level experience in reputed organisations, with strong understanding of and experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance
Regulatory	Strong expertise and experience in corporate law and regulatory compliance in India and overseas (including industry specific laws).

The Company's Board of Directors is highly structured to ensure a high degree of diversity by age, gender, education/ qualifications, professional background, sector expertise and special skills (classification). This is reflected in the Company's skills and diversity grid disclosed here.

Board comprises a range and balance of skills, experience, knowledge, gender, social-economic backgrounds and independence. This needs to be backed by a diversity of personal attributes, including sound judgement, honesty and courage.

Professional Background & Skills / expertise / competency of Directors

Name of the directors	Brief description of special skills
Prof. Sir Ralf Dieter Speth	• Sir Ralf holds a Doctorate Degree in Engineering and is a Professor at the University of Warwick, United Kingdom; • Sir Ralf started his professional career with BMW where he stayed for 20 years before joining Ford Motor Company's Premier Automotive Group (PAG) and later Linde Group, the international gases, materials handling and engineering company; • In early 2010, Prof. Dr Ralf D Speth became Chief Executive Officer, Jaguar Land Rover(JLR), and a member on Tata Motors' Board later that year; • In 2016 he was appointed as a member of the Supervisory Board of Tata Sons Pvt Ltd. Sir Ralf was nominated as a Non-Executive Director and Vice-Chairman of the JLR Board following his retirement in September, 2020; • He has been a member of the Royal Academy of Engineering since 2014. In 2015, he was appointed Honorary Knight of the British Empire (KBE) and in 2019 as Additional Knight Commander of the Most Excellent Order of the British Empire. In 2020, Sir Ralf was elected a Fellow of the Royal Society; • Sir Ralf has been bestowed with many awards and has spearheaded noteworthy initiatives in the automobile industry; and • In January 2023, Sir Ralf Speth, was conferred with an Honorary Doctorate in the field of Science (Doctor of Science, honoris causa) from the University of Warwick, United Kingdom.

Mr Venu Srinivasan	• Mr Venu Srinivasan has made major contribution to the automotive industry and nation building at large for over four decades and has facilitated the Company to emerge as fourth largest two-wheeler manufacturer in India; • His experience and innovative excellence have helped the Company in broadenings its product portfolio from time to time and establishing the Company's presence across the globe; • His dedication to the transformation of rural India by empowering women in the rural areas that can be seen through his passion towards setting up the Srinivasan Services Trust (SST), which has touched the lives of 1.6 million people in 2500 villages across the country in the last 26 years; • He was conferred the Padma Bhushan Award, the third Highest civilian award in India, in January 2020; • He is the recipient of Deming Distinguished Service Award, granted to individuals who have made outstanding contributions in the dissemination and promotion (overseas award 2019), the Ishikawa-Kano Award (2012) by the Asian Network of Quality, the apex body for quality in Asia. • Under his leadership, his companies were awarded the Deming Prize and the Japanese Quality Medal in 2002; • He was conferred with "Order of Diplomatic Merit" (Heung- In Medal) by the President of Korea; He was presented with an "Outstanding Institution Builder" Award at the 13th Managing India Awards by AIMA (All India Management Association) for displaying exceptional vision and leadership in building an institution in 2023; • Conferred with lifetime achievement award by CNBC – TV18's India Business Leadership Awards (IBLA) in 2023 and in 2024 Ernst & Young recognized him with the Life time Achievement award for his decades of entrepreneurial excellence in revolutionizing the two wheeler industry in India; • He was honored with the Lifetime Achievement Award by the prestigious ET Awards for Corporate Excellence. The award honors his unparalleled contributions to Indian manufacturing, leadership and corporate social responsibility; • He is also Chairman in TVS Holdings Limited and Chairman Emeritus and Managing Director of Sundaram- Clayton Limited. He also serves on the board of T V Sundram Iyengar & Sons Private Limited, Tata Sons Private Ltd., (Tata Sons) the holding company of the conglomerate Tata Group; • He is the Chairman of InKo Centre (The Indo- Korean Cultural and Information Centre) which is a non-profit society set up in 2006 with support from TVS Motor Company and Hyundai Motor India Limited to promote a sustainable, meaningful intercultural dialogue between India and South Korea; • He has held various important positions in the Indian Industry, such as the President, Confederation of Indian Industry and the President, Society of Indian Automobile Manufacturers; • He is also a Director on the Central Board of Reserve Bank of India; and • He is also the vice chairman of various Tata Trusts, India's most respected and largest philanthropic foundation and the majority shareholder of the Tata group.
Mr Sudarshan Venu	• Mr Sudarshan Venu has been charting the future of one of India's leading two-wheeler manufacturer, TVS Motor Company, since his induction as Director and has made it the most awarded two-wheeler company. It is a testimony to Sudarshan's focus, that TVS Motor has been voted No. 1 in Customer Satisfaction for four years in a row by the prestigious J. D. Power Awards; • He has set his vision of transforming the company into a leading global mobility player. To this effect, he has set in motion global expansion through both organic & inorganic means; • With his extraordinary efforts, the Company has acquired UK's iconic motorcycle brand Norton Motorcycles and has also setup a completely new manufacturing facility in UK; • He strongly believes in staying ahead of the emerging trends – electrification and personal mobility are two big areas of focus and is looking to build a strategic personal e-mobility ecosystem by scaling unique brands, and led TVS to acquire European e-bike brand EGO Movement and Switzerland's largest e-bike company, Swiss E-Mobility Group; • He has been a pivotal role in expanding international business into markets in Africa, Middle East, Southeast Asia, LATAM, and Europe and market presence in more than 90+ countries across the globe; • He also has been instrumental in setting up and in the success of TVS Emerald Limited, and TVS Digital, a subsidiary of TVSM incorporated in Singapore, focused on providing technology solutions for digital transformation; • His experience and innovative excellence that helped the company in broadening its product portfolio from time to time and Company's market presence across the globe; • His commitment to competitiveness and quality of our economy is manifested through his company's market presence in more than 90+ countries across the globe; • He is also the Chairman of TVS Credit Services, subsidiary, a non-deposit Non-Banking Finance Company and Managing Director of TVS Holdings Limited, Holding Company, a Core Investment Company. • He has received "Next Gen Leader" award at the Indian Family Business Awards 2022 was a testament to his visionary leadership and unwavering commitment to innovation in the automotive industry. • He was presented with Best CEO Award by Business Today in "Manufacturing and Retail Excellence" Category.

Mr K N Radhakrishnan	• With a career spanning decade in the automobile industry, Radhakrishnan is widely recognised for his customer-centric approach, commitment to quality, technological acumen, exceptional leadership skills and unique ability to connect with people. • He was instrumental in expanding the operations of the Company internationally including setting up a plant in Indonesia in 2007 and entering the three-wheeler segment in 2008. • He is also an Executive Committee Member of the Society of Indian Automobile Manufacturers (SIAM) and chairs the Two-Wheeler CEO Council at SIAM.
Mr Shailesh Haribhakti	• Shailesh Haribhakti is a globally recognized thought leader, serial innovator, and sustainability evangelist. A pioneer in Environmental, Social, and Governance (ESG) principles, he has dedicated his life to addressing two of humanity's greatest challenges: inequality and climate change. His visionary leadership spans five decades, during which he has transformed industries, redefined governance, and champion exponential technologies to foster sustainable development. • He founded and grew his own firm achieving an extraordinary 2000x expansion. His tenure as Chairman of global accounting networks such as BDO, Baker Tilly, and Moores Rowland exemplified his leadership capabilities. In 2018, he pivoted his focus to sustainability, teaching himself Physics, Chemistry, and Biology to better understand the principles of exponential technologies and environmental stewardship. • He serves as Chairman of Shailesh Haribhakti & Associates, Vice Chairman of GOvEVA Consulting Pvt. Ltd., Non- Executive Chairman of Aakash Educational Services Ltd., Bharat Clean Rivers Foundation and holds leadership positions across industries, including education, technology, clean energy, and financial services. • He is renowned for his groundbreaking contributions to ESG and sustainability, including introducing Integrated Reporting and pioneering pathways to achieve "Net Zero." His leadership in CSR, governance, and sustainability committees has earned him prestigious accolades such as the Vivekananda Sustainability Award (2022), the Global Competent Boards Designation, and an honorary Doctor of Letters from ITM University.
Dr. Deepali Pant Joshi	• Dr. Deepali Pant Joshi, has more than four decades of experience in the formulation of macro-economic policies. She had a long and distinguished career in Reserve Bank of India, headed various departments including the Department of Rural Planning and Credit and Financial Inclusion Department and Customer Service & Financial Education Department and retired as Executive Director. • She has received many awards for her Professional achievements including Skoch Challenger award for contribution to Financial Inclusion, Chancellors medal at the University of Allahabad for academic proficiency and Amarnath Jha Gold Medal, University of Allahabad. She has authored seven books on Economics, Financial Inclusion and Sustainable Development. • She has published various books on Economics, Financial Inclusion and Sustainable Development. • She also serves as an Independent Director on the board of several companies.
Mr Vijay Sankar	• Mr Vijay Sankar holds Master's in Business Administration from the J L Kellogg Graduate School of Management, Northwestern University, and is also a qualified Chartered Accountant. • Vijay Sankar is the Chairman of The Sanmar Group, headquartered in Chennai, India, with manufacturing facilities in the Mexico, Egypt, and several locations across South India. The Group has a strong presence in key industry segments - Chemicals (including Speciality Chemicals), Engineering Technologies (Products and Steel Castings) and Shipping and has a turnover of approximately US$ 1.6 billion. • Well recognized for its high ethical standards, the Sanmar Group has robust corporate governance methods and a strong focus on corporate social responsibility (CSR). • Mr Sankar is an Independent Director on the Boards of several listed entities. • He also serves as a Vice President of the Tamil Nadu Tennis Association, Trustee of The Childs Trust Hospital and the Voluntary Health Services (VHS) and on the Board of Governors of the Medical Research Foundation (Sankara Nethralaya) and CPR Environment Education Centre. He also serves as a member of the Governing Body of The Cancer Institute (WIA), Adyar, Chennai. • He is the Honorary Consul General of Denmark in Chennai and was honoured with Denmark's Knight's Cross for his remarkable consular service
Mr B Sriram	• He has held several key executive positions in his career including Managing Director & CEO, IDBI Bank Ltd.; Managing Director, State Bank of India and Managing Director, State Bank of Bikaner & Jaipur; • He has held various key assignments in the State Bank Group in Credit and Risk, Retail, Operations, IT, Treasury, Investment Banking, International Operations, Payment and Settlement Systems and Small Scale Industry; • He was a part-time member of the Insolvency & Bankruptcy Board of India. He is also an External Investment Committee member of British International Investment, UK.

2.9 Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel:

The Company has in place a Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (the Code) approved by the Board.

The Company's Code of Conduct embodies its values and expectations to which its corporate standards and employee policies are aligned.

The Code has been communicated to Directors and the Senior Management Personnel.

The updated version of the Code has also been displayed on the Company's website in the following link provided in the page no. 208 of this Annual Report.

All the Members of the Board and Senior Management Personnel have confirmed compliance with the Code for the year ended 31st March 2025. The Annual Report contains a declaration to this effect signed by the Director & Chief Executive Officer.

2.10 Appointment / Re-appointment of Directors:

In terms of Regulation 36(3) of the Listing Regulations, a brief resume of Director proposed to be re-appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, shareholdings and relationships, if any, with other Directors along with listed entities from which the Director has resigned in the past three years are provided in the Notice convening AGM of the Company.

2.11 Committees of the Board:

The Board of Directors is committed to strong corporate governance and has established the following committees to provide focused oversight and enhance accountability:

Mandatory Committees:

- **Audit Committee:** Responsible for overseeing the integrity of the Company's financial reporting process.
- **Risk Management Committee:** Identifies, assesses, and mitigates potential risks facing the Company.
- **Stakeholders' Relationship Committee:** Facilitates communication, redressal of grievances and fosters positive relationships with all stakeholders.
- **Nomination and Remuneration Committee:** Recommends qualified candidates for Board positions, SMP positions and oversees executive compensation practices.
- **Corporate Social Responsibility Committee:** Develops and implements the Company's social responsibility initiatives.

Non-Mandatory Committee:

- **Administrative Committee:** Handles administrative matters including business related activities, as delegated by the Board.

The Board establishes the terms of reference for each committee and regularly reviews their performance. Committee meetings are chaired by designated members who report key discussions and decisions to the full Board. Minutes of all Committee meetings are presented at subsequent Board meetings for comprehensive oversight and review.

3. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting. It also helps the Board in meeting its responsibilities for the effectiveness of risk management system.

3.1 Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter alia performs the following functions:

a. Overviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;

c. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement in terms of clause (c) of sub-section (3) of Section 134 of the Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Modified opinions, if any, in the draft audit report.

e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

f. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

g. Approving or subsequently modifying any transactions of the Company with related parties;

h. Scrutinizing the inter-corporate loans and investments;

i. Reviewing the valuation of undertakings or assets of the Company, wherever it is necessary;

j. Evaluating internal financial controls and risk management systems;

k. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

l. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

m. Discussing with internal auditors of any significant findings and follow up thereon;

n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or any failure of internal control systems of a material nature and reporting the matter to the Board;

o. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

p. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

q. Reviewing the functioning of the Whistle Blower Mechanism. Regular reports on significant matters raised through the programme and the actions taken to address them are received;

r. Approving the appointment of CFO after assessing the qualifications, experience and background of the candidate; and

s. reviewing the utilization of loans and / or advances from / investments / by the holding company in the subsidiary exceeding ₹ 100 Cr or 10% of the asset size of the subsidiary, whichever is lower.

t. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders, if any.

In addition, reviewing of such other functions as envisaged under Section 177 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of the Listing Regulations.

The subjects reviewed and recommended in the meetings of the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

3.2 Composition, name of the Chairman and Members:

As of 31st March 2025, the Committee consists of the following Executive/ Independent director viz., Mr Shailesh Haribhakti, Independent Director Dr. Deepali Pant Joshi, Independent Director and Mr K N Radhakrishnan, Director & CEO.

During the year under review, Mr C R Dua, Independent Director completed his tenure on 13th July 2024 and thereby ceased as member of Audit Committee.

Mr Shailesh Haribhakti, Independent Director was appointed as member/chairman of the Committee effective 8th May 2024 at the Board meeting held on 8th May 2024.

Mr Shailesh Haribhakti, Chairman of the Committee was present at the last AGM held on 6th August 2024 to answer the Shareholder queries.

Mr K S Srinivasan, Company Secretary acts as the Secretary of the Committee.

3.3 The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	CRD	SH	KNR	DPJ
07-05-2024	✓	NA	✓	✓
05-08-2024	NA	✓	✓	✓
22-10-2024	NA	✓	✓	✓
24-01-2025	NA	✓	✓	✓
18-03-2025	NA	✓	✓	✓

"✓"- Attended the meeting; "NA" – Not applicable

[CRD – Mr C R Dua,(upto 13th July 2024) SH – Mr Shailesh Haribhakti (from 8th May 2024) KNR – Mr K N Radhakrishnan, DPJ – Dr. Deepali Pant Joshi]

4. Subsidiary companies

The Company has three wholly owned subsidiaries in India viz., Sundaram Auto Components Limited, TVS Motor Services Limited and TVS Electric Mobility Limited. It also has other subsidiaries viz.TVS Credit Services Limited and its three subsidiaries viz., Harita ARC Private Limited, Harita Twowheeler Mall Private Limited and TVS Housing Finance Private Limited.

The Company sold its entire holding of 30,50,000 equity shares of ₹ 10/- each (100%) in TVS Digital Limited (formerly known as TVS Housing Limited) to TVS Holdings Limited, consequently it ceased to be a wholly owned subsidiary of the Company, effective 16th September 2024.

The Company has increased its investment in TVS Credit Services Limited by acquiring 6,894,325 equity shares at ₹10 each. This has raised the total equity stake to 85.63%, while the fully diluted shareholding stands at 80.69%.

The Company has acquired additional stake of 39.43% from the existing shareholders, thereby increasing the total stake to 89.40% in DriveX Mobility Private Limited (DriveX). Hence, DriveX ceased to be an associate and became a subsidiary of the Company.

During the year under review, the Company incorporated a Wholly Owned Subsidiary in Dubai viz., “TVS Motor Company DMCC".

The Company has acquired additional stake of 8.26% and 30% in The GO Corporation (“GO AG”), Switzerland and EBCO Limited (“EBCO”), UK, respectively through its overseas subsidiary viz., TVS Motor (Singapore) Pte. Limited, thereby GO AG and EBCO have become wholly owned subsidiaries of TVS Motor (Singapore) Pte Ltd. and the Company.

The foreign subsidiaries are TVS Motor (Singapore) Pte. Limited and its subsidiaries viz., The Norton Motorcycle Co Limited, UK, TVS Digital Pte Ltd, Swiss E-Mobility Group (Holding) AG and its subsidiaries viz., Swiss E-Mobility Group (Schweiz) AG, Switzerland, Colag E-Mobility GmbH, Germany, Alexandr’RoEdouard’O Passion VeloSarl, Switzerland and Swiss E-Mobility Group (Osterreich) GmbH; The GO AG and its subsidiary viz., EGO Movement Stuttgart GmbH, Germany; EBCO Limited, UK, Celerity Motor GmbH ,TVS Motor Company (Europe) B.V. and PT. TVS Motor Company Indonesia.

The Board of Directors at their Meeting held on 28th January 2025 approved a Scheme of Amalgamation of Sundaram Auto Components Limited with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, subject to approval of the National Company Law Tribunal, Chennai Bench (NCLT). Necessary application will be filed with NCLT in due course.

The Audit Committee reviews the financial statements and in particular the investments made by the said unlisted subsidiaries. The minutes of the Board meetings of the said unlisted subsidiaries, wherever applicable, are periodically placed before the Board.

The Committee is periodically informed about all significant transactions and arrangements entered into by all these unlisted subsidiaries.

Material Subsidiaries Policy

The Board has duly formulated a policy for determining 'material subsidiaries'. As per the Listing Regulations 2015, material subsidiary means a subsidiary whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Further, as per regulation 24(1) of the Listing Regulations, if turnover or net worth of an unlisted subsidiary (both Indian and overseas) exceeds 20% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year, such unlisted material subsidiary is required to have on its board atleast one independent director of the listed entity.

As of 31st March 2025, the Company's Indian subsidiary, viz., TVS Credit Services Limited and overseas subsidiary viz., TVS Motor (Singapore) Pte Limited are covered within the definition of "unlisted material subsidiary" in terms of the Regulation 16(1)(c) of the Listing Regulations.

For the purpose of complying with the requirement of Regulation 24 of the Listing Regulations, the Company nominated one of the ID of the Company on the Board of TVS Credit Services Limited and TVS Motor (Singapore) Pte Limited, whose income / net worth exceeds of 20% of the consolidated income or net worth.

The Company has ensured that all the identified material subsidiaries incorporated in India have obtained secretarial audit report from a Company Secretary in Practice for FY 2024-25 and annexed with the annual report of the Company.

Copy of the Material Subsidiary policy is available on the Company's website in the link provided in page no. 208 of this Annual Report.

5. Disclosures

5.1 Materially significant related party transactions:

All transactions entered into with related parties (RPTs), as defined under the Act, 2013 and the Listing Regulations during the financial year 2024-25 were in the ordinary course of business and at arm's length and do not attract the provisions of Section 188 of the Act, 2013 and the rules made thereunder.

There were no materially significant transactions with the related parties during the year, which were in conflict

of interest, and hence no approval of the Company was required in terms of the Listing Regulations.

The transactions with the related parties, namely its promoters, its holding, subsidiary and associate companies etc., of routine nature have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015.

Details of related party transactions are enclosed as part of accounts for the year ended 31st March 2025.

Related Party Transaction Policy

The Board has formulated a policy on related party transactions. The Audit Committee reviews and approves transactions between the Company and related parties, as defined under the Listing Regulations, to ensure that the terms of such RPTs would reasonably be expected of transactions negotiated or at arm's length basis and in the ordinary course of business. The audit committee meets prior to each scheduled board meeting to review all RPTs of the Company on a quarterly basis.

In terms of Regulation 23 of the Listing Regulations, all RPTs for the succeeding financial year, with clear threshold limit, are regularly placed before the Audit Committee meeting convened in last quarter of the financial year for its approval and recommendation to the Board for its approval, wherever required. RPTs entered upto that period are reviewed at the meeting for any upward revision in the threshold limit.

It is also ensured that none of RPTs involving payments with respect to brand usage or royalty during the financial year, exceeded five percent of the annual consolidated turnover of the Company as per the previous audited financial statements of the Company.

As per the Companies Act 2013, any unforeseen RPT involving amount not exceeding ₹ 1 crore per transaction is entered without obtaining prior approval of the Audit Committee and such RPTs can be ratified by the Audit Committee within three months from the date of such transaction. The Company's substantial portion of RPTs are with the wholly owned subsidiaries which are exempted from the compliance with the requirements of the Companies Act and Listing Regulations.

Copy of the said Policy is available on the Company's website in the link as provided in page no. 208 of this Annual Report.

The Company has engaged an Independent Audit firm for ensuring correctness of the approach in complying with the criteria on arm's length price and ordinary course of business for all RPTs entered into by the Company duly validated from time to time.

5.2 Disclosure of accounting treatment:

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted "IND AS" with effect from 1st April 2016. Accordingly, the financial statements for the year 2024-25 have been prepared in compliance with the said Rules.

5.3 Risk Management:

a) The Risk Management Committee plays a crucial role in overseeing the Company's risk appetite, tolerance, and strategy.

This function is complemented by a well-established Risk Management Policy, which formalizes the Company's approach to managing material business risks. The policy leverages a combined top-down and bottom-up approach to comprehensively identify, assess, monitor, and manage key risks across all business units.

b) A robust risk management framework ensures regular internal reviews and reporting to the Board.

This process involves identifying and prioritizing business risks based on their severity, likelihood of occurrence, and the effectiveness of current detection methods. The framework also monitors ongoing and potential risk exposures, the effectiveness of the risk management system itself, and adherence to Board approved risk policies. Senior Management reviews these risks on a quarterly basis. Additionally, process owners are assigned for each risk, and metrics are developed to track and evaluate the effectiveness of mitigation strategies.

The Board is confident that the Company has adequate systems and procedures in place to effectively identify, assess, monitor, and manage risks. This confidence is further bolstered by the Company's Audit Committee, which reviews reports from management and recommends appropriate actions when necessary.

Risk Management Committee:

As of 31st March 2025, the Risk Management Committee consists of the following Directors/ Key Management Personnel viz., M/s B Sriram, Independent Director, Sudarshan Venu, Managing Director, K N Radhakrishnan, Director & CEO and K Gopala Desikan, Chief Financial Officer.

During the year under review, Mr Hemant Krishan Singh, Independent Director completed his tenure on 13th July 2024 and thereby ceased as member of the Committee.

Mr B Sriram, Independent Director was appointed as a Member and Chairman of the Committee effective 8th May 2024 by the Board.

The composition of the Committee is in accordance with the requirements of Regulation 21 of the Listing Regulations. Mr B Sriram, Independent Director is the Chairman and Mr K S Srinivasan, Company Secretary acts as the Secretary of the Committee.

As per the Risk matrix – competitive action in domestic market, non achievement of planned material cost reduction, International Business Industry Risk on account of forex shortage, and currency depreciation, geo political issues and non-achievement of planned market share, EV Business risk, Geo Political risk on

account of impact on crude oil prices, Tariff rates, Cross border tensions, Delay and lower contribution for new product and variant launches were reviewed including the mitigation plans for those critical risks.

Cyber Threats:

The Committee received regular updates on the key risk associated with technology, including notable incidents, regulatory developments, governance and strategy, as well as developments in the global cybersecurity threat landscape such as the risk in prominence of ransomware, data leaks, privileged access violation, distributed denial-of-service attacks, software code security and the progress of cyber-attack simulation exercises with senior executives and readiness training across all the Companies in the Group.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members present (M/s)				
	BS	SV	KNR	KGD	HK
19.04.2024	NA	LOA	✓	✓	✓
22.10.2024	✓	LOA	✓	✓	NA

"✓"- Attended the meeting ; "LOA" – Leave of absence, "NA" – Not applicable

[BS - Mr B Sriram (from 8th May 2024), SV - Mr Sudarshan Venu, KNR - Mr K N Radhakrishnan, KGD - Mr K Gopala Desikan and HK - Mr Hemant Krishan Singh (upto 13th July 2024)]

Scope:

(a) Overseeing and approving the Company's enterprise-wide risk management framework;

(b) Overseeing / identifying / assessing of all risks that the Organization faces such as strategic, financial, credit, marketing, liquidity, security, property, IT, legal, regulatory, reputational;

(c) Evaluating that adequate risk management infrastructure is in place and capable of addressing those risks; and

(d) Monitoring / overseeing the implementation of the risk management policy and reviewing the policy periodically

Role:

(a) To identify, evaluate and mitigate the existing as well as potential risks to the Company and to recommend the strategies to the Board to overcome them;

(b) To develop and implement action plans to mitigate the risks;

(c) To oversee at such intervals as may be necessary, the adequacy of Company's resources, to perform its risk management responsibilities and achieve its objectives;

(d) To review the risk management framework for the operations of the Company that are deemed necessary and Company's performance against the identified risks of the Company;

(e) To formulate the strategies towards identifying any areas that may materially affect the Company's overall risk exposure and to review the risk management plan;

(f) To adequately transmit necessary information with respect to material risks to Senior Executives / Board / relevant Committees;

(g) To check if Cyber security cover has been adopted by Information systems department; and

(h) Such other items as may be prescribed by regulatory or by the Board, from time to time.

5.4 Instances of non-compliances, if any:

There were no instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during the last three years.

5.5 Disclosure by Senior Management Personnel:

The Senior Management Personnel have made disclosures to the Board relating to all material, financial and other transactions stating that they did not have personal interest that could result in conflict of interest with the Company at large.

Particulars of Senior Management Personnel of the Company:

S. No.	Name of the Senior Management Personnel (M/s.)	Category
1.	K Gopala Desikan	Chief Financial Officer
2.	Sharad Mohan Mishra	President - Group Strategy
3.	Gaurav Gupta	President - India 2W Business
4.	Peyman Kargar (w.e.f. 1st April 2025)	Head – International Business
5.	Bernhard Heiming	Chief Technology Officer
6.	R Anandakrishnan	Group Head - ERM, HR & IT
7.	K S Srinivasan	Company Secretary

5.6 CEO and CFO Certification:

The Director & Chief Executive Officer and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Regulation 33 of the Listing Regulations for the financial year ended 31st March 2025.

5.7 Compliance with mandatory / non-mandatory requirements:

The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed in this Report.

5.8 Code of Conduct for Prevention of Insider Trading:

In compliance with SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has a comprehensive Code of Conduct for Prevention of Insider Trading and the same is being strictly adhered to by the Designated persons (DPs) while dealing in Company's securities in excess of the threshold limit as defined under this Code.

The Company also has in place a Code of Practices and Procedures for fair disclosure of "Unpublished Price Sensitive Information" (UPSI) and a Code of Conduct to regulate, monitor and report trading by insiders.

The Company has been advising the DPs covered by the Code not to trade in Company's securities during the closure of trading window period. The Company has set up a mechanism for weekly tracking of the dealings of equity shares of the Company by the DPs and their immediate relatives having access to unpublished price sensitive information. For the purpose of financial results, the Company follows closure of trading window from the end of every quarter till 48 hours the UPSI made public. In addition, the Company is also closing the trading window for considering the UPSI at the Board meeting and advising the DPs connected with the UPSI.

The Audit Committee also reviewed the Institutional Mechanism for Prevention of Insider trading and the systems for internal control as per Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations 2015 and declarations from DPs affirming their compliance with the Code for the year 2024-25.

The Company has installed necessary software for maintaining a Structured Digital Database as per the circulars issued by the SEBI. The Company regularly shares the importance of recording the UPSI to the DPs concerned. All DPs have been requested to share emails or any communication containing UPSI with others only for legitimate purposes. Wherever it is required, DPs are requested to record sharing of UPSI details with other employees, Auditors, Consultants within or outside the Company, marking a copy to a dedicated email ID. Emails marked to the specific mail ID can be accessed only by the intended users, till it is made public.

5.9 Management Discussion and Analysis Report, Familiarization Programme and Whistle Blower Policy:

All the above Report / Policies form part of the Directors' Report.

5.10 Whistle Blower Policy

The Company has cultivated a strong reputation over the years for conducting business with the utmost integrity. This commitment is reflected in our zero-tolerance policy for unethical behaviour. To uphold this standard, we have established a robust vigil mechanism that allows for the reporting of concerns in compliance with the Act and Listing Regulations. The Board's Audit Committee diligently oversees the functioning of this mechanism.

Whistleblowers are empowered to make protected disclosures through various channels. This system facilitates the reporting of actual or suspected instances of fraud or violations of the Company's Code of Conduct. It is affirmed that during the year, no person has been denied access to the Audit Committee.

Copy of the said Policy is available on the Company's website in the following link is available in page no. 208 of this Annual Report.

6. Nomination and Remuneration Committee (NRC)

The NRC assists the Board in its oversight of Board composition and the maintenance of an effective framework for succession planning. It is also assists with the implementation of the Remuneration Policy, including the fixing of remuneration of the Executive Directors, Key Managerial Personnel (KMPs)(other than Directors) and Senior Managerial Personnel(SMPs).

6.1 Composition of the Committee:

As of 31st March 2025, NRC consists of the following Independent Directors viz., M/s Vijay Sankar, Dr. Deepali Pant Joshi and B Sriram.

During the year under review, Mr C R Dua, Independent Director completed his tenure on 13th July 2024 and thereby ceased as chairman and member of NRC Committee.

Mr Kuok Meng Xiong, Independent Director resigned effective 6th August 2024 and thereby the Director ceased as member of NRC Committee.

Dr Deepali Pant Joshi, Independent Director was appointed as a member of the Committee effective 8th May 2024 by the Board.

Mr Vijay Sankar, Independent Director was appointed as a member of the Committee effective 8th May 2024 and Chairman effective 14th July 2024 by the Board.

Mr Vijay Sankar, the Chairman of the Committee was present at the last AGM held on 6th August 2024 to answer Shareholder queries.

Mr K S Srinivasan, Company Secretary acts as the Secretary of the Committee.

6.2 The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members present (M/s)				
	CRD	BS	MX	VS	DPJ
08.05.2024	✓	✓	✓	NA	NA
05.07.2024	✓	✓	✓	✓	✓
28.01.2025	NA	✓	NA	✓	✓
20.03.2025	NA	✓	NA	✓	✓

"✓"- Attended the meeting ; "NA" – Not Applicable;

[CRD – Mr C R Dua (upto 13th July 2024), BS – Mr B Sriram, MX – Mr Kuok Meng Xiong (upto 6th August 2024), VS – Mr Vijay Sankar (from 8th May 2024), DPJ - Dr. Deepali Pant Joshi (from 8th May 2024)]

6.3 The broad terms of reference of the NRC are as under:

- Guiding the Board for laying down the terms and conditions in relation to the appointment and removal of Director(s), Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company.
- Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration.
- Recommending to the Board on remuneration payable to the Director(s), KMP and SMP of the Company based on (i) the Company's structure and financial performance and (ii) remuneration trends and practices that prevail in peer companies across the automobile industry.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented SMP by creation of competitive advantage through a structured talent review.

6.4 The role / scope of NRC is as follows:

- To make recommendations to the Board with respect to incentive compensation plans for the Executive Director(s) and remuneration of Non-Executive Director(s) of the Company.
- To identify persons who are qualified to become Director(s), KMP and SMP of the Company.
- To recommend to the Board for the appointment / removal of Director(s), KMP and SMP of the Company including recommendation of remuneration payable.
- To formulate criteria for determining qualification, positive attributes and independence of a Director of the Company.
- To recommend to the Board a Policy for remuneration of Director(s), KMP and SMP of the Company.

6.5 Board and Committee Performance Evaluation

The NRC laid down the criteria for evaluating the performance of every Director, Committees of the Board and the Board as a whole and also the performance of KMP and SMP.

Board Performance Evaluation

- Composition, Size, and Expertise: The Board's composition, size, and mix of skills and experience are assessed. The effectiveness of Board meetings is evaluated considering factors such as meeting frequency, discussion quality, decision-making processes, and follow-up actions.
- Information Quality and Governance: The quality of information provided to the Board and its adherence to good governance practices are reviewed.
- Committee Performance: The performance of various Board committees established for specific purposes is assessed.

Evaluation Methodology

The NRC prescribed a peer evaluation methodology using a set of questionnaires to assess the performance of individual directors, Board committees, the Chairman, and the Board as a whole. The Board conducted the evaluation following this prescribed methodology.

Individual Director Evaluation

The performance of individual directors is evaluated based on their:

- Commitment to their role and fiduciary responsibilities as Board members.
- Attendance and active participation in Board meetings.
- Strategic and lateral thinking abilities.

- Professional contributions and recommendations provided to the Board.
- Leadership or participation in various Board committees.

Senior Management Performance

The performance of SMP is measured against their achievement of business plans approved by the Board throughout the financial year and their annual performance incentives tied to those achievements. All SMP evaluations are conducted consistently following the established criteria.

NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable to SMP. NRC also delegated its authority to the Executive Directors, wherever appropriate, for this purpose.

6.6 Nomination and Remuneration Policy

The Nomination and Remuneration Policy has been placed on the website of the Company. The details of the website link is available on the Company's website as provided in page no. 208 of this Annual Report. The salient features of the policy are as follows:

NRC formulates policy to ensure that –

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Director(s) of the quality required to run the Company successfully;
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- the remuneration to Director(s), KMP and SMP of the Company involve a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the Company and its goals.

6.7 Remuneration to Directors:

Executive Directors:

The remuneration payable to Managing Director (MD) and Director & CEO is fixed by the Board and are within the limits approved by the Shareholders in terms of the relevant provisions of the Act, 2013 read with Regulation 17 of the Listing Regulations.

Particulars of remuneration to Executive Directors for the financial year 2024-25:

Rupees in Crores

Particulars	Salary & Perks	Commission	Total
CE & MD	1.00	-	1.00
MD	8.05	36.00	44.05
Director & CEO	5.67	16.25	21.92

There is no separate provision for payment of severance fees. The notice period is mutually agreed between these Directors and the Board. The tenure of office of Executive Directors is for five years from their respective dates of appointment / re-appointment.

Commission paid to the Directors are within the permissible limits approved by the Members and determined by the Board every year depending upon the performance of the Company.

Non-Executive Directors:

Sitting fees

The Board at its meeting held on 5th May 2022 approved revised sitting fees of ₹ 40,000/- each to the Non-Executive Directors for attending each Board and / or Committee meeting thereof attended by them, which is within the limits, prescribed under the Act, 2013, effective that date.

Commission

The Company benefits from the expertise, advice and inputs provided by IDs. IDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company, from time to time and hence IDs are being paid by way of sitting fees and commission.

NRC, in its meeting held on 28th April 2025 recommended the payment of commission to IDs within the permissible limit, in terms of the provisions of Sections 197 / 198 of the Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and as approved by the shareholders at the general meetings held on 11th August 2017.

A Commission of ₹ 30 lakh to all IDs; additionally, ₹ 5 lakhs to those IDs serving as a Member of the Audit Committee; and ₹ 3 lakhs and ₹ 2 lakhs each to those IDs serving as a Member of the Risk Management Committee and other Committees respectively for the year 2024-25, as approved by the board at its meeting held on 28th April 2025.

The amount of commission for every financial year will be decided by the Board, as approved by the shareholders at AGM held on 11th August 2017, subject to the limit of 1% of net profits of the Company, in aggregate, as calculated pursuant to Section 198 of the Act, 2013. The above compensation structure is commensurate with the best practices in terms of remunerating IDs and adequately compensates for the time and contribution made by IDs.

The remuneration was determined by NRC considering the time, commitment and involvement of other Independent Directors of the meetings.

In terms of the amended Listing Regulations, it has also been ensured that the remuneration payable to one non-executive director does not exceed 50% of the

total annual remuneration payable to all non- executive directors of the Company.

The Board at its meeting held on 20th March 2024, approved the adoption of TVS Motor Company Employee Stock Option Plan ("ESOP Plan") by way of secondary acquisition of fully paid-up equity shares of the Company through TVSM Employees Stock Option Trust and the shareholders vide postal ballot dated 10th May 2024 approved the implementation of ESOP Plan and secondary acquisition of equity shares by way of special resolutions.

6.8 Particulars of sitting fees / commission paid to the Non-Executive and Independent / Non-Independent Directors during the financial year 2024-25 are as follows:

Rupees in Lakhs

Name of the Directors (M/s)	Sitting Fees	Commission	Total
Prof. Sir Ralf Dieter Speth	2.00	-	2.00
Dr. Deepali Pant Joshi	5.60	38.59	44.19
Vijay Sankar	3.20	33.80	37.00
B Sriram	7.20	34.69	41.89
Shailesh Haribhakti	3.60	34.49	38.09
C R Dua (upto 13th July 2024)	1.60	11.11	12.71
H K Singh (upto 13th July 2024)	0.80	9.97	10.77
Kuok Meng Xiong (upto 6th August 2024)	0.80	11.22	12.02
Total	**24.80**	**173.87**	**198.67**

6.9 Except Mr Shailesh Haribhakti, who holds 1,500 equity shares, none of the other Non-Executive Directors in the Company holds shares as on 31st March 2025.

7. Stakeholders' Relationship Committee (SRC):

7.1 As of 31st March 2025, the Committee consists of the following Executive Directors viz., M/s Venu Srinivasan, Chairman Emeritus & Managing Director (CE & MD) and Sudarshan Venu, Managing Director (MD) and Independent Director viz., Dr Deepali Pant Joshi.

During the year under review, Mr C R Dua Independent Director completed his tenure of office on 13th July 2024 and thereby ceased as a member of the Committee.

Mr Hemant Krishan Singh Independent Director completed his tenure of office on 13th July 2024 and thereby ceased as a member/chairman of the Committee.

Dr Deepali Pant Joshi, Chairperson of the Committee was present at the last AGM held on 6th August 2024 to answer the Shareholder queries.

Mr K S Srinivasan, Company Secretary acts as the Secretary of the Committee.

7.2 During the year, the SRC Committee met on 23rd October 2024. All members attended the meeting.

7.3 As required by Listing Regulations, Mr K S Srinivasan, Company Secretary is the Compliance Officer of the Company, who oversees the redressal of investor grievances.

For any clarification / complaint, the Shareholders may contact the Company Secretary.

7.4 SRC oversees and reviews all the matters connected with share transfers, issue of duplicate share certificates and other issues pertaining to shares. SRC also looks into various aspects of interests:

- Resolving the grievances of the security holders relating to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports / statutory notices by the shareholders of the Company.

The Company, in order to expedite the process of share transfers delegated the power of share transfers to Integrated Registry Management Services Private Limited (Share Transfer Agent (STA)). The Company, as a matter of policy, disposes of investors' complaints within a span of seven days.

7.5 Complaints received and redressed during the year 2024-25:

Nature of complaints	No. of complaints received and redressed
Transmission of shares	5
Non receipt of dividend	2
Non-receipt of IEPF Entitlement Letter	1
Dematerialization	1
TOTAL	**9**

7.6 All the queries and complaints received during the financial year ended 31st March 2025, were duly redressed and no queries pending at the year end.

All requests for dematerialization of shares were carried out within the stipulated time period and no request for dematerializing the share certificates was pending.

7.7 Reconciliation of Share Capital Audit:

A firm of Practising Company Secretary carries out Reconciliation of Share Capital (RSC) Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The reports are being regularly placed before the board for its perusal.

The RSC audit reports confirmed that the total issued and listed capital was in agreement with the total number of shares in physical form and in dematerialized form held with NSDL and CDSL.

8. Corporate Social Responsibility Committee:

As on 31st March 2025, the Corporate Social Responsibility Committee consists of three Directors viz., M/s Venu Srinivasan, Sudarshan Venu and Vijay Sankar. Mr Venu Srinivasan is the Chairman of the Committee.

The details of CSR Policy, initiatives and spending are disclosed in the Annexure - IV to the Directors Report.

During the year, the Committee met on 8th May 2024. M/s Venu Srinivasan and Vijay Sankar attended the meeting and leave of absence was granted to Mr Sudarshan Venu.

9. Administrative Committee:

The Administrative Committee consist of two directors viz., M/s K N Radhakrishnan and B Sriram.

During the year, the Committee met on 8th May 2024, 6th August 2024, 14th August 2024, 3rd October 2024, 20th December 2024, 23rd January 2025, 24th February 2025 and 20th March 2025. All members attended the meetings.

10. General body meeting:

10.1 Location and time where AGMs were held during the last three years:

Year	Venue of the meeting	Date	Time (IST)
2021-22	Through VC / OAVM	27.06.2022	02.00 PM
2022-23	Through VC / OAVM	24.07.2023	03.30 PM
2023-24	Through VC / OAVM	06.08.2024	02.45 PM

10.2 Special resolutions passed in the previous three AGMs:

During the previous three AGMs, namely from 2021-22 to 2023-24 no approvals were obtained by passing special resolutions.

10.3 Postal Ballot:

None of the subjects placed before the shareholders in the last / ensuing AGM required / requires approval by Postal Ballot. However, in terms of the Regulation 44 of the Listing Regulations and Section 108 of the Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company facilitated its members to exercise their right to vote through Remote e-Voting and e-Voting at the meeting for all the items at the AGM held on 6th August 2024.

During the year, the consent of the shareholders were sought for way of Special Resolution through Postal Ballot for the below items:

S. no	Date of notice	Items transacted	% of Votes cast in favour of the resolution	% of Votes cast against the resolution	Effective date of Passing of resolution
1.	20.03.2024	Appointment of Mr Vijay Sankar (holding DIN: 00007875) as a Non- Executive Independent Director for a term of 5 years from 20th March 2025	96.89%	3.11%	10.05.2024
		Appointment of Mr Shailesh Haribhakti (holding DIN: 00007347) as a Non- Executive Independent Director for a term of 5 years	99.26%	0.74%	
		Approval of 'TVS Motor Company Employee Stock Option Plan' ("TVSM ESOP Plan" or "Plan") to the eligible employees of the Company	77.60%	22.40%	
		Secondary acquisition of equity shares of TVS Motor Company Limited by TVSM Employees Stock Option Trust for implementation of 'TVS Motor Company Employee Stock Option Plan' ("Plan") and providing financial assistance in this regard.	77.86%	22.14%	

2.	28.01.2025	Re-appointment of Mr Venu Srinivasan (holding DIN: 00051523) as Chairman Emeritus and Managing Director for a further period of five (5) years from 24th April 2025	95.75%	4.25%	21.03.2025

Note: The detailed voting results of Postal Ballot and the scrutiniser's report are available on the website of the Company at www.tvsmotor.com.

In accordance with General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations, 2015), the above resolutions were passed by means of Postal Ballot including e-Voting.

All the above said Special Resolutions were passed with requisite majority of the shareholders on the last date of e-Voting. Voting results of Postal Ballot is available on the website of the Stock Exchanges and website of the Company.

10.4 Person who conducted the Postal Ballot exercise:

Mr K Sriram, Practising Company Secretary (Membership no. F6312 and CP No. 2215), Chennai and M/s B Chandra and Associates, Practising Company Secretaries were appointed to act as the scrutinizer for conducting the above Postal Ballots and E-voting in a fair and transparent manner.

10.5 Procedure for Postal Ballot:

1. The Board of Directors, vide resolution dated 20th March 2024 and 28th January 2025, have appointed Mr K Sriram, Practising Company Secretary and M/s B Chandra and Associates, Practising Company Secretaries as the scrutinizers respectively.
2. The Scrutinizers had submitted their report on after scrutiny and the results were announced as tabled below:

S. no	Postal Ballot (Board Meeting approved date)	Dispatch date	Cut-off Date	e-Voting period (9.00 a.m – 5.00 p.m.)	Date of Announcement of Results
1.	20.03.2024	10.04.2024	05.04.2024	11.04.2024 to 10.05.2024	10.05.2024
2.	28.01.2025	19.02.2025	14.02.2025	20.02.2025 to 21.03.2025	22.03.2025

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

11. Means of communication to shareholders

The board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and specific communications to Stock Exchanges, where the Company's shares are listed.

During the quarterly results, Director & CEO and CFO, interacts with institutional investors, analysts and other investors. The outcome, information shared during call are made available on the Company's website and the stock exchange on which securities of the Company are listed.

11.1 Quarterly results:

The Company's quarterly/half-yearly/annual financial results were sent to the Stock Exchanges and were published in English and Regional newspapers. They are also available on the website of the Company.

11.2 Newspapers wherein results are normally published:

The results are normally published in English Newspapers viz., The Hindu, Business Line, The Times of India, Economic Times, Business Standard, The New Indian Express and Regional Newspaper viz., Dinamani and are also available on the website of the Company.

11.3 Website:

The Company is maintaining a functional website a www.tvsmotor.com. This website contains all the information and other details as may be required under the Regulation 46 of Listing Regulations. The Company ensures that the contents of this website are periodically updated.

11.4 Press Release & Investor/ Analysts meet:

In addition, the Company makes use of this website for publishing official news release and presentations, if any, made to institutional investors / analysts, transcripts etc. No unpublished price sensitive information is discussed in the meeting with institutional investors and financial analysts.

12. General shareholder information:

12.1 Annual general meeting :

Date and time	:	Friday, 22nd August 2025 at 12.15 P.M. (IST), through Video Conferencing / Other Audio Visual Means

12.2 Financial year : 1st April to 31st March

Financial calendar	:	2025-26
Financial reporting	:	Financial calendar against for the quarter ending
30th June, 2025	:	Before 14th August, 2025
30th September, 2025	:	Before 14th November, 2025
31st December, 2025	:	Before 14th February 2026
31st March, 2026	:	Before 30th May, 2026

12.3 Particulars of dividend payment:

Particulars of dividend declaration / payment are disclosed in the Directors' Report. Dividends were declared in compliance with the Dividend Distribution Policy of the Company.

Dividend distribution policy

SEBI vide its circular No. SEBI/ LAD-NRO/ GN/ 2016-17/008 dated 8th July 2016 mandated the top 500 listed companies based on the market capitalization to formulate Dividend Distribution Policy which shall be disclosed in their annual reports and on their websites.

Accordingly, the Board at its meeting held on 24th January 2017 had formulated a Dividend Distribution Policy, the details of which are available on the Company's website in the link as provided in page no. 208 of this Annual Report.

12.4 Listing on Stock Exchanges:

Name and address of the Stock Exchange	Stock Code / Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001. India Tel.: 91 22 2272 1233 Fax : 91 22 2272 1919	532343
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. India Tel.: 91 22 2659 8100 Fax : 91 22 2659 8120	TVSMOTOR
ISIN allotted by Depositories (Company ID Number)	
Equity	INE494B01023
Non- Convertible Debentures (NCD) listed with NSE	INE494B08036

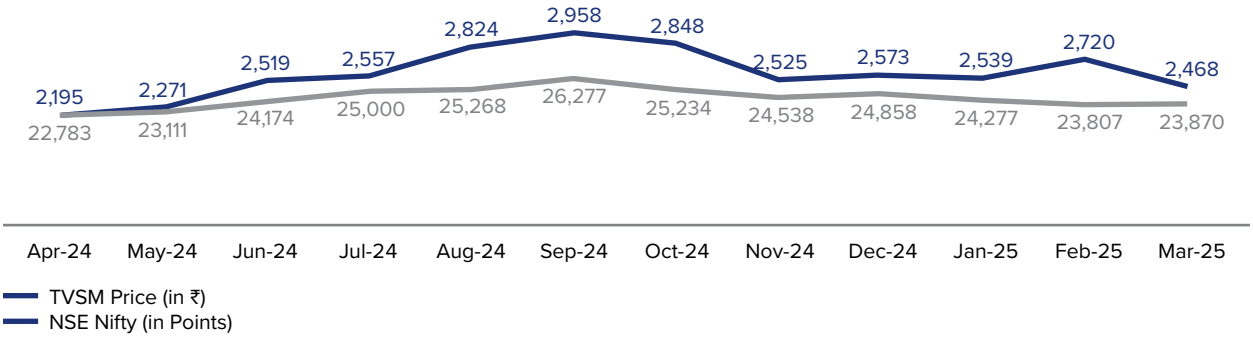
(Note: Annual listing fees and custodial charges for the year 2024-25 were duly paid to the above Stock Exchanges and Depositories)

12.5 Market Price Data:

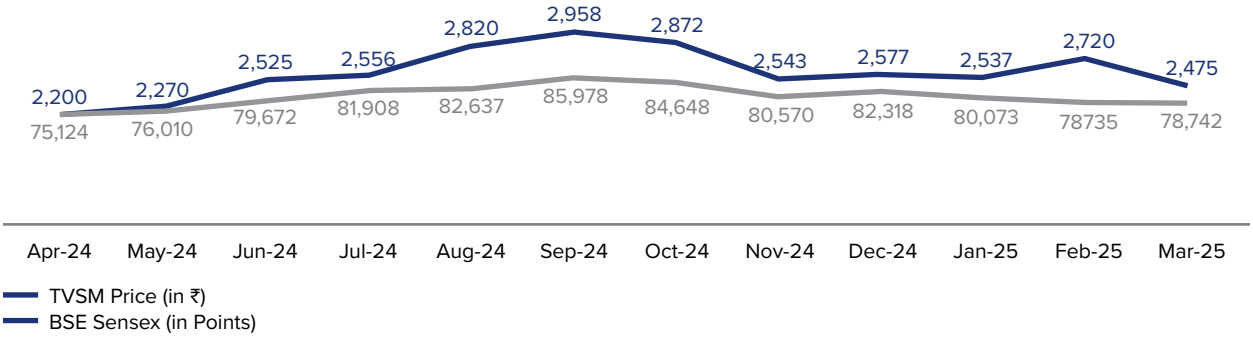
Month	NSE (Monthly) (In ₹)		BSE (Monthly) (In ₹)	
	High Price	Low Price	High Price	Low Price
April 2024	2,195.00	1,873.00	2,200.00	1,873.05
May 2024	2,270.95	1,918.50	2,270.35	1,919.00
June 2024	2,519.00	2,069.00	2,524.95	2,069.60
July 2024	2,557.05	2,301.20	2,555.55	2,301.80
August 2024	2,824.00	2,427.00	2,820.00	2,426.60
September 2024	2,958.00	2,716.05	2,958.15	2,717.25
October 2024	2,875.25	2,375.00	2,871.55	2,374.90
November 2024	2,525.00	2,356.95	2,543.40	2,358.55
December 2024	2,572.80	2,333.45	2,577.40	2,334.20
January 2025	2,539.20	2,171.40	2,536.90	2,170.05
February 2025	2,720.00	2,192.75	2,720.25	2,191.30
March 2025	2,468.00	2,218.80	2,477.95	2,225.70

12.6 Share price performance in comparison to broad based indices - NSE Nifty and BSE Sensex:

Share Price Movement – NSE (High) (Nos.)



Share Price Movement – BSE (High) (Nos.)



12.7 Share Transfer Agents and Share Transfer System:

a. The Company has appointed Integrated Registry Management Services Private Limited, which has been registered with SEBI as Category-I Registrar & Transfer Agent (RTA) with Regn. No. INR000000544, as the Share Transfer Agent of the Company (STA) with a view to rendering prompt and efficient service to the investors and in compliance with the Regulation 7 of the Listing Regulations. The Shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments of the Company.

b. All matters connected with the transmission, sub-division, consolidation, renewal, exchange or endorsement of calls / allotment monies, dividends and other matters are being handled by STA located at the address mentioned in this report.

c. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within the prescribed time. Grievances received from investors and other miscellaneous correspondence relating to change of addresses, mandates etc., is processed by STA within the prescribed time.

d. Certificates are being obtained and submitted to the Stock Exchanges, on yearly basis, from a company secretary-in-practice towards due compliance of share transfer formalities by the Company within the due dates, in terms of Regulation 40(9) of the Listing Regulations till the financial year 2023-24. The requirement for obtaining such certification has been removed vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024. Accordingly, no certification was taken for the financial year 2024-25.

e. Certificates have also been received from a company secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.

f. The Company, as required under the Regulation 6(2)(d) of Listing Regulations, has designated the following e-mail IDs, namely einward@integratedindia.in; contactus@tvsmotor.com in for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

g. Shareholders are, therefore, requested to correspond with STA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this Report.

12.8 Shareholding pattern of the Company as on 31st March 2025:

Category of Shareholder	No. of shares held	%
Promoter and Promoter Group		
Individual	30,000	0.01
Bodies Corporate	23,87,82,786	50.26
Total (A)	**23,88,12,786**	**50.27**
Public Shareholding		
Mutual Funds	7,20,21,262	15.16
Banks / Financial Institutions/NBFCs	8,12,834	0.17
Insurance Companies	1,56,77,208	3.30
Foreign Institutional Investors/Foreign Portfolio Investors	10,20,34,007	21.48
Alternative Investment Funds	16,35,613	0.34
Public Provident Fund	36,11,978	0.76
Central/State Governments	7,623	0.00
Total Institutions (B)	**19,58,00,525**	**41.21**
Bodies Corporate	28,41,261	0.60
Individuals holding nominal capital up to ₹ 2 lakhs	3,27,61,891	6.90
NRI	16,79,987	0.35
Foreign National (IND)	3,045	0.00
Directors, KMP & their relatives	55,110	0.01
Clearing members	7,270	0.00
Investor Education Protection Fund	16,52,127	0.35
Others	11,22,112	0.24
Total Non-Institutions (C)	**4,01,22,803**	**8.45**
Total Public Shareholding (D) = (B+C)	**23,59,23,328**	**49.66**
Non Promoter- Non Public shareholder		
Employee Benefit Trust	3,51,000	0.07
Total Non Promoter Non Public Shareholding (E)	**3,51,000**	**0.07**
Grand Total (A+D+E)	**47,50,87,114**	**100.00**

12.9 Distribution of Shareholding as on 31st March 2025:

Shareholding (Range)	No. of Members	%	No. of Shares	%
Upto 5000	3,08,897	99.492	2,87,44,612	6.05
5001-10000	573	0.18	41,87,975	0.88
10001-20000	305	0.10	44,44,328	0.94
20001-50000	247	0.08	78,95,263	1.66
50001-100000	154	0.05	1,09,18,905	2.30
100001 & above	297	0.10	41,88,96,031	88.17
	3,10,473	**100.00**	**47,50,87,114**	**100.00**

12.10 Dematerialization of shares and liquidity:

The promoter and promoter group holding consisting of 23,88,12,786 Equity shares of ₹1/- each has been fully dematerialized. Out of 23,62,74,328 Equity Shares of ₹ 1/- each held by persons other than promoters 23,47,53,334. Equity Shares have been dematerialized as on 31st March 2025 accounting for 99.68%.

12.11 The Company has not issued any Global Depository Receipt / American Depository Receipt/Warrant or any convertible instrument, which is likely to have impact on the Company's Equity.

12.12 Other Disclosures

a) Pecuniary relationships or transactions with IDs vis-a-vis the Company during the year under review, do not exceed the threshold limit as laid down under the Listing Regulations.

b) During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large.

c) Company is a net exporter. Company has a forex hedging policy and covers are appropriately taken to cover the currency risk. The exposure and cover taken are reviewed by the Audit Committee on regular basis.

d) Company is not a dealer in Commodities. Prices payable to vendors for raw materials and components are negotiated based on internationally available data. Cost of manufacture of all products are reviewed at regular intervals and wherever required suitable price changes in two-wheeler and three-wheeler are done based on market conditions.

e) Loans and advances in the nature of loans to firms / companies in which Directors are interests by name and amount – Nil

f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - Not Applicable

g) The Company has not entered into any commodity derivatives with any of the bankers and hence the disclosure of exposure in commodity risks faced by the company does not required, as directed in the SEBI Mater Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024

h) The Company has complied with the provisions of the Maternity Benefit Act, 1961

i) During the year, there was no change in capital structure of the company..

12.13 Plant Locations:

Hosur	:	Post Box No. 4, Harita Hosur - 635 109, Tamil Nadu Tel: 04344-276780 Fax: 04344-276878 Email: knr@tvsmotor.com
Mysuru	:	Post Box No.1 Byathahalli Village, Kadakola Post, Mysore - 571 311, Karnataka. Tel: 0821 – 2596561 Fax: 0821 – 2596550 / 2596551 Email: knr@tvsmotor.com
Himachal Pradesh	:	Village Bhatian, Bharatgarh Road, Tehsil Nalagarh, District Solan, Himachal Pradesh – 174 101 Tel: 01795 – 220493 Fax: 01795 – 220496 Email: knr@tvsmotor.com

12.14 Address for investor correspondence:

(i)	For transfer / dematerialization of shares, payment of dividend on shares and any other query relating to the shares of the Company	:	Integrated Registry Management Services Private Limited, Share Transfer Agent (STA) Unit: TVS Motor Company Limited Chennai – 600 006
(ii)	For non-receipt of annual report	:	Email : einward@intergratedindia.in
(iii)	For investors' grievance & general correspondence	:	Email : einward@intergratedindia.in / contactus@tvsmotor.com
(iv)	Debenture Trustees	:	Beacon Trusteeship Limited Address: 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E), Mumbai – 400051 E-mail: compliance@beacontrustee.co.in

12.15 List of Credit Rating:

The Company is maintaining the existing credit rating viz., CARE AA+ for long term borrowings and Non - Convertible Debentures and CARE A1+ for short term borrowings and Commercial Papers.

12.16 Certificate from Practicing Company Secretary:

The Company has received a certificate from the Secretarial Auditor of the Company stating that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

12.17 Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 1.48 crores to the statutory Auditors for all services received by the listed entity and its subsidiaries, on a consolidated basis.

12.18 Sexual Harassment at workplace:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), as amended, Company has a robust mechanism in place to redress complaints reported under it. The details of complaints are form part of Directors Report.

An Internal Committee (IC) is constituted by the Company in all its plants and Corporate Office to consider and resolve the sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external members from NGOs or with relevant experience.

12.19 Disclosure on compliance with the issue of Debt securities for incremental borrowings by Large Corporates

The Company has been considered as a "Large Corporate" (LC) and is required to raise not less than 25% of its incremental borrowings, during the financial year, by way of issuance of debt securities.

As per SEBI circular no. SEBI/HO/DDHS/DDHSRACPOD1/P/CIR/2023/172 dated 19 October 2023, effective 1st April 2024, the Company continues to be a LC based on the new threshold of outstanding long-term borrowing of ₹ 1,000 crore.

During the year under review, the Company availed a sum of ₹ 800 Cr as Long Term Borrowings and the Company will raise funds through listed debt securities for the incremental borrowings within the specified period i.e., on or before 31st March 2027 after considering the market conditions and requirements of funds, in compliance with the circular.

12.20 Details of material subsidiaries of the listed entity

Particulars	TVS Credit Services Limited	TVS Motor (Singapore) Pte Limited
Date of Incorporation	05.11.2008	19.02.2002
Place of Incorporation	Chennai, Tamil Nadu, India	Singapore
Name of the Auditor	Suri & Co	Rama & Co LLP
Date of Appointment of auditor	08.05.2024	01.03.2004
Name of Joint Auditor	CNGSN & Associates LLP	-
Date of Appointment of Joint Auditor	25.11.2022	-

13. Non-mandatory disclosures

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

13.1 The Board:

Prof. Sir Ralf Dieter Speth, Non-Executive Director is the Chairman of the Company as on 31st March 2025.

13.2 Shareholder rights:

Financial results of the Company are published in newspapers with the QR code and web-link to the page where full financial results of the Company can be accessed, as soon as, they are approved by the Board and are also uploaded in the Company's website namely www.tvsmotor.com The results are not sent to the shareholders individually.

13.3 Audit qualifications:

The financial statements of the Company are unmodified.

13.4 Reporting of internal auditor

The internal auditor is reporting his internal audit observations to the Audit Committee on a quarterly basis.

13.5 Independent Directors (IDs)

During the year, all the IDs were present for the meeting held on 6th March 2025.

In the opinion of the Board, the Independent Directors appointed are persons of high repute, integrity and possesses the relevant expertise, experience and proficiency.

14. Request to the Shareholders

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder in order for the Company to serve them efficiently and avoid risks while dealing in the securities of the Company.

14.1 Demat of Shares:

Shareholders are requested to convert their physical holding to demat/ electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

14.2 Registration of Electronic Clearing Service (ECS) mandate:

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account.

ECS helps in quick remittance of dividend without possible loss/delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

14.3 Transfer of shares:

In terms Listing Regulations securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the above, members are advised to dematerialise equity shares held by them in physical form. The Securities and Exchange Board of India (SEBI) has also, vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 07.05.2024 and Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25.01.2022, mandated listed Companies to issue the securities in dematerialized form only, while processing the following service request viz., Issue of duplicate securities certificate; Claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Subdivision / Splitting of securities certificate; Consolidation of securities certificates / folios; Transmission and Transposition. Members holding shares in physical form are requested to submit such service request in Form ISR 4 along with necessary documents / details specified therein, as prescribed by SEBI.

14.4 Updation of PAN, and KYC details

SEBI vide Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated May 7, 2024 issued to the Registrar and Transfer Agents read with SEBI Circular No. SEBI/ HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, and other related SEBI Circulars has mandated that, with effect from April 1, 2024, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Contact Details (Postal Address with PIN and Mobile Number), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company or its RTA. Relevant FAQs have been published by SEBI in this regard. The FAQs and the abovementioned SEBI Master Circular and SEBI Circular are available on SEBI's website.

The forms for updating the same are available at the Company's website at www.tvsmotor.com. Members holding shares in electronic form are requested to submit the said details to their depository participant(s).

The security holder(s) whose folio(s) do not have PAN, Contact Details, Bank Account Details and Specimen Signature updated are:

a) eligible to lodge grievance or avail service request from the RTA only after furnishing the PAN, KYC details.

b) eligible for any payment including dividend, interest or redemption payment only through electronic mode and an intimation from the RTA to the holder that the aforesaid payment is due shall be made electronically upon complying with the aforesaid requirements.

14.5 Registration of Nomination / opt out facility:

Under the provisions of Section 72 of the Companies Act, 2013 and vide Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/01650 dated January 10, 2025 and SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/0027 dated February 28, 2025 SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 shareholder(s) is / are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his / her / their lifetime. Members who are holding shares in physical form and are interested in availing this nomination facility may submit nomination in the prescribed Form SH-13 with the Company / RTA and any member who desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14, as the case may be, to the Company / RTA. The said forms are available at the Company's website at www.tvsmotor.com. In respect of shares held in dematerialized form, members may submit their nomination forms with their respective Depository Participants.

14.6 Information in respect of unclaimed dividend due for remittance into IEPF

In accordance with the SEBI circular dated 16th March 2023, as amended, the Company has sent reminders to those Members, holding shares in physical form, whose PAN, KYC details and/or Choice of Nomination are not updated, requesting them to update the details.

Shareholders are requested to note that the dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Accordingly, a sum of ₹ 71,96,408 being unclaimed dividend, was transferred to IEPF during the year 2024-25.

Shareholders, who have not encashed their dividend warrants, in respect of 1st Interim dividend declared for the year ended 31st March, 2019 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

Information in respect of unclaimed dividends due for remittance into IEPF is given below:

Particulars of unclaimed dividend of the Company.

Financial Year	Date of declaration	Date of transfer to special account	Due date for transfer to the IEPF
2017-2018 2nd Interim	26.02.2018	28.03.2018	28.03.2025
2018-2019 1st Interim	23.10.2018	22.11.2018	22.11.2025
2018-2019 2nd Interim	11.03.2019	10.04.2019	10.04.2026
2019-2020 1st Interim	04.02.2020	05.03.2020	05.03.2027
2019-2020 2nd Interim	10.03.2020	09.04.2020	09.04.2027
2020-2021 1st Interim	28.01.2021	27.02.2021	27.02.2028
2020-2021 2nd Interim	24.03.2021	23.04.2021	23.04.2028
2021-2022 Interim	18.03.2022	17.04.2022	17.04.2029
2022-2023 Interim	24.01.2023	23.02.2023	23.02.2030
2023-2024 Interim	11.03.2024	10.04.2024	10.04.2031
2024-2025 Interim	20.03.2025	19.04.2025	19.04.2032

15. Transfer of Shares to Investor Education and Protection Fund (IEPF) authority

As per Section 124(6) of the Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, all the shares in respect of which dividend remain unpaid/ unclaimed for seven consecutive years or more are required to be transferred to a Demat Account opened in the name of IEPF Authority with Punjab National Bank by the Ministry of Corporate Affairs.

During the year, the Company has sent individual notices to all the shareholders whose dividends are lying unpaid / unclaimed against their name for seven consecutive years or more and also advertised on the Newspapers seeking action from the shareholders. The lists of such shareholders were also displayed on the website of the Company.

In compliance with the aforesaid provisions, the Company transferred 25,285 shares on 3rd May 2024 and 29,562 shares on 24th December 2024 to IEPF account bearing Demat Account No. 10656671 and DPID IN300708 which is opened with Punjab National Bank.

Necessary steps will be initiated by the Company to transfer shares held by the members to IEPF, if they the shareholders have not claimed their dividends within the due date(s) mentioned above. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. As required under the said provisions, all subsequent corporate benefits that accrues in relation to the above shares will also be credited to the said IEPF Account.

In the event of transfer of shares and the unclaimed dividends to IEPF, shareholders are entitled to claim the same from IEPF by submitting an online application in the prescribed web based e-Form IEPF-5 available on the MCA website and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5, as per the following procedures:

1. Register yourself on MCA website and login to website of MCA at https://www.mca.gov.in.
2. After login, click on 'IEPF Related Services' tab under 'MCA Services' section for filing the web-based form IEPF-5.
3. Fill the details in the web based e-form and attach the requisite documents. Save a copy of uploaded e-form and acknowledgement email generated with SRN. Take print of auto generated indemnity bond, IEPF Form IEPF-5, Acknowledgment email and attachments.
4. Submit self-attested copy of e- form, copy of acknowledgement, Indemnity Bond in original along with other documents (cancelled cheque leaf, client

master list, PAN card, Aadhar card, original share certificate, or transaction statement entitlement letter) as IEPF Rules to Share transfer agent of the company in an envelope marked "TVS Motor Company Limited Claim for refund from IEPF Authority".

5. After scrutinizing the documents received, Nodal Officer of the company to verify the claim and furnish the e-verification report to the IEPF Authority within 130 days from the date of filing the claim.
6. Submit Postal Receipt of dispatch on the MCA Portal
7. On the basis of verification report refund will be released by the IEPF Authority in favour of claimant's Bank or Demat account through electronic transfer.

In the process, general information about the Share Transfer Agent are as under.

(a) Name of the Share Transfer Agent:- Integrated Registry Management Services Private Limited

(b) Address of Share Transfer Agent: 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai-600 017.

(c) email ID of the company:- einward@integratedindia.in

Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the Company shall provide/host the required details of unclaimed dividend amount referred in relevant sections of the Act, 2013 on its website and also in the Ministry of Corporate Affairs (MCA) website in the relevant form every year.

Disclosure in respect of equity shares transferred in the Company's unclaimed suspense account

Pursuant to the requirement of Regulation 34(3) and Schedule V Part F of Listing Regulations, the following table provides the details in respect of the equity shares lying in the suspense account. During the year, the Company has already sent remainders to the shareholders for claiming those shares at their latest available address(es) with the Company or Depository, as the case may be.

All the corporate benefits in terms of securities accruing on those shares like bonus shares, split etc would also be credited to unclaimed suspense account of the Company. The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

Particulars	No. of Shareholders	No. of Shares
No. of shares in the Unclaimed suspense account as on 1st April 2024.	**88**	**61,204**
Add: No. of shares credited pursuant to Regulation 39(4) of Listing Regulation.	Nil	Nil
Less: No. of shares Transferred to the Shareholders on request during the year	9	4,998
Less: No. of Shares transferred to IEPF A/c during the year.	6	3,354
No. of shares in the Unclaimed suspense account as on 31st March 2025.	**73**	**52,852**

For and on behalf of the Board of Directors

PROF. SIR RALF DIETER SPETH
Chairman
DIN: 03318908

Bengaluru
5th June 2025

LINKS TO COMPANY'S POLICIES

1. **TERMS OF APPOINTMENT OF IDS**
   https://www.tvsmotor.com/-/media/Feature/Investors/Communication/Files/Terms-of-Appointment-of-IDs-Apr2020.pdf
2. **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**
   https://www.tvsmotor.com/investors/financial-reports
3. **POLICY ON VIGIL MECHANISM / WHISTLE BLOWER POLICY**
   https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=dac58903-cfd6-4362-81c1-97eb0922842a
4. **ANNUAL RETURN**
   https://www.tvsmotor.com/annual-return
5. **CSR POLICY**
   https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=964326ad-7fc6-4b61-9207-37cea3ec8ef0
6. **DIRECTORS FAMILIARIZATION PROGRAM**
   https://www.tvsmotor.com/familiarisation-programme
7. **CODE OF BUSINESS CONDUCT AND ETHICS**
   https://www.tvsmotor.com/-/media/Feature/Investors/Communication/Files/CodeofBusinessConductandEthicspdf.pdf
8. **MATERIAL SUBSIDIARIES POLICY**
   https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=F68F7988-1657-4BAB-A3A6-D8AC2F5AC7EF
9. **RELATED PARTY TRANSACTION POLICY**
   https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=f1d5c977-bf73-4273-af69-286d7a7c2318
10. **NOMINATION AND REMUNERATION POLICY**
    https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=b8b3fda2-799b-44d6-af98-004bbef38e33
11. **DIVIDEND DISTRIBUTION POLICY**
    https://www.tvsmotor.com/api/InvestorDownloadData?ItemId=3828fe97-55d9-4126-991a-bf0dc785d874
12. **Disclosure under SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021.**
    https://www.tvsmotor.com/investors/financial-reports

AUDITORS' CERTIFICATE ON COMPLIANCE OF THE PROVISIONS OF THE CODE OF CORPORATE GOVERNANCE

To
The Shareholders of TVS Motor Company Limited, Chennai

We have examined the compliance of conditions of Corporate Governance by TVS Motor Company Limited, Chennai - 600 006 ('the Company') for the year ended 31st March 2025 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations].

The compliance of conditions of Corporate Governance is the responsibility of Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Reg. No. 004207S

S USHA
Partner
Membership Number: 211785
UDIN: 25211785BMIZDA9072

Bengaluru
5th June 2025

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To,
The Shareholders of TVS Motor Company Limited,
Chennai

On the basis of the written declarations received from members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, it is hereby certified that both the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board for the year ended 31st March 2025.

K N Radhakrishnan
Director & Chief Executive Officer
DIN: 02599393

Bengaluru
5th June 2025

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

Dear Sirs/Madam,

We certify that we have reviewed the financial statements prepared based on the Indian Accounting Standards for the year ended 31st March 2025 and to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with applicable Indian Accounting Standards, Laws and Regulations.

(3) no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

(4) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(5) We have indicated to the Auditors and the Audit Committee:

a) significant changes, if any, in internal control over financial reporting during the year;

b) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and

c) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chennai
28th April 2025

K N Radhakrishnan
Director and Chief Executive Officer
DIN: 02599393

K Gopala Desikan
Chief Financial Officer

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

for the financial year ended 31st March 2025

[Pursuant to Regulation 34(3) read with Schedule V, paragraph C(10)(i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
TVS Motor Company Limited
[CIN: L35921TN1992PLC022845]
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai – 600 006.

We hereby certify that, in our opinion and to the best of our knowledge, **none of the** below named **Directors** who are on the Board of Directors of **TVS Motor Company Limited** as on 31st March 2025, **have been debarred or disqualified** from being appointed or continuing as directors of companies, by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs, Government of India (MCA).

Sl. No.	Name of the Director	Nature of Directorship	Director Identification Number (DIN)
1.	Prof. Sir Ralf Dieter Speth	Chairman and Non-Executive Director	03318908
2.	Venu Srinivasan	Chairman Emeritus and Managing Director	00051523
3.	Sudarshan Venu	Managing Director	03601690
4.	K N Radhakrishnan	Director and Chief Executive Officer	02599393
5.	B Sriram	Non-Executive Independent Director	02993708
6.	Dr. Deepali Pant Joshi		07139051
7.	Vijay Sankar		00007875
8.	Shailesh Haribhakti		00007347

Basis for our opinion

We are issuing this certificate based on our verification of the following, which to the best of our knowledge and belief, were considered necessary in this regard:

1. Information relating to Directors available on the official website of MCA;
2. Disclosures / declarations / confirmations provided by the said Directors to the Company;
3. Registers and records maintained by the Company and forms, returns, documents and disclosures filed with MCA;
4. Corporate Governance reports filed on quarterly basis with the stock exchanges on which securities of the Company are listed; and
5. Information, explanation and representations provided by the key managerial personnel of the Company.

Responsibility of the management

The management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director of the Company.

Responsibility of the Secretarial Auditors

Our responsibility as the Secretarial Auditors of the Company, is to issue this Certificate based on verification of the relevant documents / records as stated herein above.

Our Certificate is neither an assurance as to the future viability of the Company or its Corporate Governance process, nor of the efficacy or effectiveness of the process followed by its management with regard to appointment / continuation of a person as a Director of the Company.

For **Sriram Krishnamurthy & Co.**,
(formerly known as S. Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No.: 739/2020]

K. Sriram
Partner
(Membership No.: F6312)
C.P. No.: 2215
UDIN: F006312G000222748

Chennai
28th April 2025

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
TVS Motor Company Limited
[CIN: L35921TN1992PLC022845]
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai – 600 006.

We have conducted a Secretarial Audit on compliance with applicable statutory provisions and adherence to good corporate practices by TVS Motor Company Limited ('the Company') during the financial year from 1st April 2024 to 31st March 2025 ('the year' / 'the financial year'/ 'the audit period' / 'period under review'). The audit was conducted in a manner that provided a reasonable basis for evaluation of the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

1. Our verification of the books, papers, Minutes Book and other documents / records maintained by the Company, forms and returns filed with various statutory / regulatory authorities, information disseminated on the website of the Company and the stock exchanges on which its securities are listed and other relevant documents / information.
2. Compliance report on compliance with applicable statutory provisions submitted by key managerial personnel and reviewed and noted by the Board of Directors.
3. Information, explanation and representations provided by the Compliance officer and compliance relation action taken by the Company during the year and also after the end of the year but before the issue of this audit report.

We hereby report that, in our opinion, the Company has complied with the statutory provisions listed hereunder and has **proper Board processes and compliance mechanism** in place, to the extent, in the manner and subject to the reporting made hereinafter, **during the audit period covering the financial year from 1st April 2024 to 31st March 2025.**

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – I.

1. Compliance with specific statutory provisions

1.1. We have examined the books, papers, Minute books and other records maintained by the Company, and forms, returns, reports, disclosures and information filed / submitted / disseminated during the year in accordance with the applicable provisions of the Acts, Rules, Regulations, Agreements and Standards set-out in Clause 1.3 hereunder.

1.2. Based on such examination and also considering compliance related action taken by the Company after the end of the year but before the issue of this audit report, we report that, to the best of our knowledge and belief, that the Company's compliance with the said applicable provisions is as set-out in Clause 1.3 hereunder.

1.3. The Company has generally complied with applicable provisions of the following Acts, Rules, Regulations, Agreements and Standards:

(a) The Companies Act, 2013, and the Rules made thereunder;

(b) The Securities Contracts (Regulation) Act, 1956, and the Rules made thereunder;

(c) The Depositories Act, 1996, and the Regulations made thereunder, to the extent applicable to listed securities issued by the Company;

(d) The Foreign Exchange Management Act, 1999, and the Rules and Regulations made thereunder, to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investments (ODI);

(e) The following Regulations made under the Securities and Exchange Board of India (SEBI) Act, 1992:

(i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(ii) SEBI (Prohibition of Insider Trading) Regulations, 2015;

(iii) SEBI (Substantial acquisition of shares and Takeovers) Regulations, 2011;

(iv) SEBI (Issue and listing of Non-convertible Securities) Regulations, 2021;

(v) SEBI (Share based employee benefits and Sweat Equity) Regulations, 2021;

(f) Listing agreements entered into with the stock exchanges viz; BSE Limited (in relation to listing of Equity shares) and National Stock Exchange of India Limited (in relation to listing of Equity shares and Non-Convertible Debentures); and

(g) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) viz; Secretarial Standards – 1 (SS-1) on Board meetings and Secretarial Standards – 2 (SS-2) on General

Meetings (in relation to General Meeting and Postal ballot process).

1.4. We noted that, the Company was not required to comply with the following Acts, Rules, Regulations and Standards, since there were no relevant transactions during the year:

(a) The Foreign Exchange Management Act, 1999, and the Rules and Regulations made thereunder, to the extent of External Commercial Borrowings (ECB);

(b) The following SEBI Regulations (which were not applicable):

(i) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(ii) SEBI (Buy-back of Securities) Regulations, 2018;

(iii) SEBI (Delisting of Equity shares) Regulations, 2021;

(iv) SEBI (Registrars to an Issue and Share transfer agents) Regulations, 1993, regarding the Companies Act, 2013, and dealing with client; and

(a) Specific laws applicable to the Company (no specific laws were applicable during the period under review, considering the nature of its business).

(b) Secretarial Standards – 3 (SS-3) on Dividend and Secretarial Standards – 4 (SS-4) on Report of the Board of Directors (SS-4) issued by the ICSI (being non-mandatory).

2. Constitution of the Board and Board processes

We further report as follows:

2.1 The composition of the Board of Directors of the Company during the year, was in compliance with the applicable provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

2.2 The Company has complied with the applicable provisions of the Act and LODR in respect of the changes in its Board of Directors during the year, as detailed in Clause 2.4 hereunder.

2.3 The Board of Directors is constituted with 8 (eight) Directors, as at the end of the year, comprising of:

(a) 1 (one) Non-Executive Non-Independent Director, designated as Chairman;

(b) 1 (one) Executive Director, designated as Chairman Emeritus and Managing Director;

(c) 1 (one) Executive Director, designated as Managing Director; and

(d) 1 (one) Executive Director (whole-time director), designated as Director and Chief Executive Officer (CEO);

(e) 4 (four) Independent Directors, including 1 (one) Independent Woman Director.

2.4 The following changes took place in the Board of Directors during the year:

(i) Approval of the appointment of Mr. Vijay Sankar (DIN: 00007875), who was appointed as an Independent Director by the Board of Directors on 20th March 2024, by way of special resolution passed by the members through postal ballot process on 10th May 2024, to hold office for a term of 5 (five) consecutive years from 20th March 2024 to 19th March 2029.

(ii) Approval of the appointment of Mr. Shailesh Vishnubhai Haribhakti (DIN: 00007347), who was appointed as an Independent Director by the Board of Directors effective from 1st April 2024, by way of special resolution passed by the members through postal ballot process on 10th May 2024, to hold office for a term of 5 (five) consecutive years from 1st April 2024 to 31st March 2029.

(iii) Retirement of Mr. Chittranjan Dua (DIN: 00036080) and Mr. Hemant Krishan Singh (DIN: 06467315) as Independent Directors, at the close of business hours on 13th July 2024, upon completion of their tenure of appointment.

(iv) Retirement of Dr. Lakshmi Venu (DIN: 02702020), Non-Executive and Non-Independent Director, by rotation, at the 32nd Annual General Meeting (32nd AGM) held on 6th August 2024. The said director did not offer herself for re-appointment on account of other business commitments, and it was resolved by the members at the said AGM not to fill-up the resultant vacancy in the Board.

(v) Re-appointment of Mr. Kunnath Narayanan Radhakrishnan (DIN: 02599393), Director and CEO, on retirement by rotation at the 32nd AGM held on 6th August 2024.

(vi) Resignation of Mr. Kuok Meng Xiong (DIN: 09117910) as an Independent Director, at the conclusion of the 32nd AGM held on 6th August 2024, due to increasing business commitments and personal reasons. Mr. Kuok Meng Xiong, Independent Director, has also confirmed that there were no other material reasons for his resignation and the resultant vacancy was not required to be filled-up by the appointment of a new Independent Director, as the Company satisfied the requirement on number of Independent Directors on its Board in terms of Regulation 17(1) of LODR without filling-up such vacancy, on account of the retirement of a Non-Executive Non-Independent Director at the said AGM (referred to in sub-clause (iv) above).

(vii) Re-appointment of Mr. Venu Srinivasan (DIN: 00051523), aged 72 years, as Chairman Emeritus and Managing Director, for a further term of 5 (five) years from 24th April 2025 to 23rd April 2030 (both days inclusive), who is liable to retire by rotation, which was approved by way of special resolution passed by the members through postal ballot process on 21st March 2025.

2.5 We noted that, adequate notice was given to the Directors to plan their schedule for the Board meetings. Notice of the Board meetings were sent to the Directors atleast 7 (seven) days in advance, other than for meetings convened at a shorter notice in terms of Section 173(3) of the Act.

2.6 We noted that, agenda and detailed notes on agenda in respect of Board meetings were circulated to the Directors atleast 7 (seven) days in advance, other than for meetings convened at a shorter notice, with the exception of the following items which were circulated separately before or at the meetings with requisite approval from the Board:

(i) Supplementary agenda notes and Annexures in respect of Unpublished Price Sensitive Information (UPSI), such as audited accounts / results, unaudited financial results and connected papers;

(ii) Additional subjects / information / presentation and supplementary notes thereon.

2.7 We noted that a system exists for directors to seek and obtain further information and clarification on the agenda items before the meetings and for their meaningful participation at the meetings.

2.8 We noted that, at the Board meetings held during the year:

(i) Majority decisions were carried through; and

(ii) No dissenting views were expressed by any Board member on any of the subject-matters discussed at the meetings, that were required to be captured and recorded as part of the Minutes.

3. Compliance mechanism

3.1 We have examined the compliance reports on applicable laws submitted to and reviewed by the Board, reporting by the Board in its Directors' Responsibility Statement, reporting by the Statutory Auditors in their quarterly reports and annual audit reports, which provided us a reasonable basis for reporting on the compliance mechanism.

3.2 Based on such examination, we report that the **systems and processes** being adopted by the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, **are reasonably adequate**, considering its size and nature of operations.

3.3 In respect of overseas subsidiaries, we have relied on compliance related information provided to the Board of Directors as part of financial reporting by the said subsidiaries.

4. Specific events / actions

We report that the following specific events / actions having a major bearing on the Company's affairs took place during the year, in accordance with the laws, rules, regulations, guidelines, agreements and standards, referred to hereinabove.

4.1 Scheme of arrangement for issue of bonus NCRPS to shareholders

The Board of Directors at their meeting held on 20th March 2024 approved the Scheme of Arrangement between the Company and its shareholders under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), which, inter-alia, provides for issuance and allotment of cumulative Non-Convertible Redeemable Preference Shares (NCRPS) by way of bonus (4 NCRPS of ₹10/- each fully paid up of the Company for every 1 equity share of ₹1/- each fully paid up), subject to statutory, regulatory and customary approvals, including approvals from stock exchanges, jurisdictional National Company Law Tribunal ("NCLT"), and the shareholders and creditors (as applicable) of the Company.

In this regard, meeting of the Equity Shareholders and Meeting of Unsecured Creditors of the Company were convened and held on 12th April 2025, at 10.00 A.M. and 11.30 A.M. respectively, through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), pursuant to the order of Hon'ble National Company Law Tribunal, Chennai Bench dated 21st February 2025 in CA(CAA)/3(CHE)2025 ("Tribunal Order"). The Scheme was approved with requisite majority, by the Equity shareholders and the Unsecured Creditors respectively.

4.2 Approval and Implementation Employee stock option plan

The Board of Directors at the meeting held on 20th March 2024, approved: (i) implementation of the 'TVS Motor Company Employee Stock Option Plan' ('ESOP Plan'), through the secondary acquisition of shares of the Company by TVSM Employees Stock Option Trust; and (ii) the provision of unsecured loan or any other financial assistance for an amount not exceeding ₹ 250 Crores to TVSM Employees Stock Option Trust ('ESOP Trust') for the purpose of acquiring or purchasing the equity shares of the Company through secondary acquisition for implementation of the ESOP Plan.

Approval of the shareholders in this regard was obtained by way of special resolutions passed through postal ballot process on 10th May 2024.

The Nomination and Remuneration Committee, being the Committee designated for implementation of the ESOP Plan, has approved the grant of 3,51,000 stock options to identified employees of the Company, on 5th July 2024, with vesting period of 1 (one year). Since the ESOP plan is being implemented through secondary acquisition by the ESOP Trust, the grant of stock options does not involve any change or dilution of share capital of the Company.

4.3 Investments and Divestment in subsidiary and associate companies

Direct / indirect investments / divestments in subsidiaries and associate companies (Indian / foreign), as disclosed in the audited financial statements for the year, inter-alia, including the following:

(i) Tagbox Pte Ltd, Singapore, ceased to be an associate effective from 19th June 2024.

(ii) TVS Motor Company DMCC, became a subsidiary with effect from 27th June 2024.

(iii) TVS Digital Limited (TVS Digital) ceased to be a wholly-owned subsidiary, effective from 16th September 2024, upon complete divestment of shares held in TVS Digital.

(iv) DriveX Mobility Private Limited, Coimbatore (DriveX), became a subsidiary with effect from 23rd December 2024, upon further acquisition of 39.11% in equity share capital of (DriveX, resulting in post-acquisition shareholding of 87.38%.

(v) Scienaptic Systems Inc., USA (Scienaptic), ceased to be an associate from 27th December 2024, consequent to Divestment (redemption) by TVS Digital Pte Ltd, Singapore, a step down wholly-owned subsidiary of the Company, of part of its stake held in Scienaptic.

(vi) Further investment in TVS Motor (Singapore) Pte Ltd (TVSM Singapore), wholly-owned subsidiary of the Company.

(vii) Further investment in TVS Credit Services Limited, subsidiary company.

(viii) Further investment (acquisition) by TVSM Singapore, of additional 9.72% stake in Killwatt GmbH, Germany, for a total consideration of EUR 4 million.

(ix) Indian Foundation for Quality Management (IFQM) ceased to be an associate, effective from 11th March 2025, consequent to reduction of shareholding of the Company in IFQM 18.18% upon further allotment of shares by IFQM to other Investors.

(x) EBCO Limited, UK (EBCO), became a wholly-owned subsidiary of TVSM Singapore and the Company, effective from 26th March 2025, consequent to acquisition of additional 30% of the share capital of EBCO from its existing shareholder for a consideration of GBP 60,000.

(xi) The Go Corporation, Switzerland (the GO AG), became a wholly-owned subsidiary of TVSM Singapore and the Company, effective from 26th March 2025, consequent to acquisition of additional 8.26% of the share capital of the GO AG from its existing shareholder for a total consideration of CHF 500,000.

(xii) ION Mobility Pte. Ltd., Singapore ("ION Mobility"), ceased to be an associate of TVSM Singapore and the Company, effective from 31st March 2025, consequent to divestment of its stake in ION Mobility by TVSM Singapore, and acquisition in exchange of identified assets from ION Mobility, for a net cash consideration of (approximately) USD 1.75 million.

4.4 Scheme of amalgamation of Sundaram Auto Components Limited with the Company

The Board of Directors of the Company at their meeting held on 28th January 2025, approved the Scheme of Amalgamation ("Scheme") of Sundaram Auto Components Limited ("Transferor Company"), a wholly owned subsidiary, with the Company and its shareholders ("Transferee Company") under Sections 230 to 232 of the Companies Act, 2013. The Scheme is subject to receipt of necessary approvals from the National Company Law Tribunal, Chennai Bench and such other authorities, as may be required. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme becoming effective, the shares held by the Transferee Company in the Transferor Company will stand cancelled and no consideration shall be issued by the Transferee Company.

For **Sriram Krishnamurthy & Co.,**
(formerly known as S. Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No.739/2020]

K. SRIRAM
Partner
(Membership No.F6312)
C.P. No.2215
UDIN: F006312G000221670

Place: Chennai
Date: 28th April 2025

Annexure – I to the Secretarial Audit Report

Our Secretarial Audit Report (Form MR-3) of even date for the **financial year ended 31st March 2025** is to be read along with this letter.

To,
The Members of
TVS Motor Company Limited
[CIN: L35921TN1992PLC022845]
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai – 600 006.

1. Responsibility of the Management:

The Company's management is responsible for maintenance of secretarial records, making the requisite statutory / regulatory disclosures / filings and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards.

2. Auditors' responsibility:

Our responsibility as the Secretarial Auditors is to express an opinion on the compliance with the applicable laws and maintenance of records based on our audit.

3. The audit was conducted in accordance with applicable standards issued by The Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

4. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

5. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2025 but before the issue of this report.

6. We have considered compliance related actions taken by the Company based on independent legal / professional opinion / certification obtained as being in compliance with law, wherever there was scope for multiple interpretations.

7. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

8. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company, as they are subject to audit by the Auditors of the Company appointed under Section 139 of the Companies Act, 2013.

9. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.

10. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

11. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some mis-statements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

For **Sriram Krishnamurthy & Co.**,
(formerly known as S. Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No.739/2020]

K. SRIRAM
Partner
(Membership No.F6312)
C.P. No.2215
UDIN: F006312G000221670

Chennai
28th April 2025

Secretarial Audit Report of TVS Credit Services Limited, a material subsidiary.

To
The Members
TVS CREDIT SERVICES LIMITED
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Name of the Company Secretary: **B CHANDRA**
Membership No. ACS 20879
Certificate of Practice No. 7859
UDIN: A020879G000212103
PEER REVIEW NUMBER 6198/2024

Chennai
28th April 2025

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To
The Members
TVS CREDIT SERVICES LIMITED
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006

Dear Sirs

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practice by TVS Credit Services Limited, (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliance and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iii) The provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iv) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to high value debt listed entities.

v) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

vi) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable to debt listed companies;

Besides this, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company viz.,

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) The Securities and Exchange Board of India (Share based employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

The Company has complied with the provisions of the other laws as applicable to the Company which inter alia includes:

(a) Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 effective from October 2023 and other directions/regulations issued by Reserve Bank of India applicable for Middle Layer NBFC;

(b) Compliance under Prevention of Money Laundering Act, (PMLA) 2002 for the purpose of compliance with the obligations under Know your Customer Norms/ Anti-Money Laundering (AMC) standards & Fair Pricing Code (FPC) and Combating of Finance of Terrorism (CFT) obligations under PMLA,2002;

(c) Labour laws & Contract Labour (Regulations & Abolition) Act, 1970 as applicable;

(d) Indian Stamp Act and Rules;

(e) Motor Vehicles Act, 1938;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation

Further, during the year under review, the Company has listed its Non-Convertible Debentures with National Stock Exchange of India Ltd.

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

i) The Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of Sub-Section (10) of Section 118 of the Companies Act, 2013, for the financial year under review;

ii) The Company has listed its Commercial papers with National Stock Exchange of India Ltd (NSE) pursuant to SEBI circular dated 22nd October, 2019. The Company has duly complied with the compliances as prescribed in the above-mentioned circular.

From the verification of records and as per the information and explanation furnished to us, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

We further report that: -

1) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.

2) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case where meeting was held on shorter notice, necessary compliances as per the act and standards have been complied with and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3) Majority decisions are carried through while passing all the resolutions of the Board/ Committees. However, on perusal of the minutes of the Board or Audit Committee or Nomination & Remuneration Committee, or Asset Liability Management Committee, or Corporate Social Responsibility Committee meetings or Risk Management Committee, it was observed that there was no dissenting note made by any of the members.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period of audit, the Company made issue of equity as well as Debt securities.

Name of the Company Secretary: **B CHANDRA**
Membership No.: 20879
Certificate of Practice No.: 7859
UDIN: A020879G000212103
PEER REVIEW NUMBER 6198/2024

Chennai
28th April 2025

Independent Auditors' Report

for the year ended 31st March 2025

To the members of TVS Motor Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of TVS Motor Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit, Other Comprehensive Income, Changes in Equity and 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 Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters 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:

Key Audit Matter Principal Audit Procedures

Key Audit matter	Principal Audit Procedure
1. Government Grants Government has announced various Grants to manufacturers of automobiles. The company in turn is availing the said grants on fulfilling the conditions attached to that. The recognition of Government grants is considered to be key audit matter because of significance of amount of grants and management judgements involved in fulfilling the conditions to receive the grant. The management periodically reviews, during the year, compliance of relevant conditions attached to each grant whether there is a reasonable assurance that the grants will be received, in order to determine the timing and amounts of grants to be recognized in the financial statements.	Determined the appropriateness of the accounting policy for government grants as per the relevant accounting standard; Examined the Company's key internal financial controls over recognition of government grants with regard to its design and implementation. Tested the operating effectiveness of such controls for the transactions selected. Verified documents, on sample basis, submitted to the various government authorities relating to the grants received and receivable and checked the compliance of conditions attached to the respective grants. Considered the basis of management's judgement towards fulfilment of conditions attached to the grants and evaluated the reasonable assurance that grants will be received. Reviewed the appropriateness of the disclosures made in accordance with the relevant accounting standards.
2. Investments The Company has significant investments in its subsidiaries and associates. Management reviews regularly whether there are any indicators of impairment of the investments by reference to the requirements under Ind AS 36 "Impairment of Assets". For investments where impairment indicators exist, significant judgments are required to determine the key assumptions used in the valuation model and methodology, such as revenue growth, discount rates, etc. Considering, the impairment assessment which involves significant assumptions and judgement of the management and the same has been considered as key audit matter.	Obtained and read the valuation report used by the management for determining the fair value ('recoverable amount') of its material investments. Considered the independence, competence and objectivity of the management specialist involved in determination of valuation. Tested the fair value of the investment as mentioned in the valuation report to the carrying value in books. Made inquiries with management to understand key drivers of the cash flow forecasts, discount rates, etc. Assessed the disclosures made in the financial statements regarding such investments to comply with the requirements of Standards.

Key Audit matter	Principal Audit Procedure
3. Intangible assets under development The Company has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalisation. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognised and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Our audit procedures included but were not limited to the following: Assessed whether the Company's Internally generated intangible assets- research and development expenditure accounting policy is in compliance with Ind AS 38 “Intangible Assets”. We assessed the design, implementation and operating effectiveness over management process of identifying and capitalising the development expenditure in accordance with the accounting principles of capitalisation of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. We performed test of details of development expenditure capitalised by reviewing the key assumptions including the authorisation of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects.
4. Evaluation of Uncertain Direct tax and Indirect Tax positions: The Company has material uncertain tax positions, including matters under dispute relating Excise, Customs Duty, Goods and Service Tax (Indirect Taxes) and Income Tax (Direct Tax). These matters involve significant judgment to determine the possible outcome of these disputes	We obtained details of demands relating to Direct Tax and indirect tax, as on 31st March 2025. We considered legal precedence and other rulings, obtained external opinions and discussed with company's internal legal team in evaluating management's position on these uncertain tax positions. We satisfied ourselves that it is not probable that an outflow of economic benefits will be required and disclosed such obligation as a contingent liability

Information Other than the Standalone financial statements and Auditor's Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board’s Report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility & Sustainability Report) but does not include the standalone financial statements and our auditors’ report thereon. The Annual Report is expected to be made available to us after the date of this Auditors’ Report.

Our opinion on the standalone financial statements does not cover the other information identified above 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the 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 Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism 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 override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Act, we give in the Annexure 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 and proper returns adequate for the purposes of our audit.

    c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.;

d. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS 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 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the 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. The remuneration paid by the Company to its Directors is in accordance with the provisions of Section 197 of the Act and the same is not in excess of the limit laid down under Section 197 of the Act

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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No. 40 (a) to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - refer Note 30 (D) to the Standalone financial statements.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer note no 42 A (xii), 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. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer note no 42 A (xiii)), 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 the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (a) and (b) above, contain any material misstatement.

v. The dividends declared and paid by the Company during the year are in accordance with section 123 of the Companies Act 2013.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

In our opinion, the Company has preserved the audit trail as per the statutory requirements for record retention as specified under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014.

For **Sundaram and Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

S. USHA
Partner
Place: Chennai
Membership No.: 211785
Date: 28th April 2025
UDIN: 25211785BMIWEF9338

Annexure A

to Independent Auditors' Report - 31st March 2025

With reference to the Annexure A referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of TVS Motor Company Limited on the Standalone Financial Statements for the year ended 31 March 2025, we report that:

i. a. A) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars of Intangible assets.

b. The Company has a regular program of physically verifying all the Property, Plant and Equipment at its plants/ offices in a phased manner over a period of 3 years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies as compared to book records were noticed on such verification.

c. According to the information and explanations given to us and the records of the Company examined by us, 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) are held in the name of the Company.

d. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.

e. According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or are pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. a. As informed to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. The discrepancies arising out of such physical verification did not exceed 10% or more in aggregate for each class of inventory and they have been properly dealt with in the books of accounts.

b. According to the information and explanations given to us and the records of the Company examined by us, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company.

The quarterly returns and statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. a. According to the information and explanations given to us and the records of the Company examined by us, during the year, the Company has made investments in Companies incorporated in India and Outside India and Limited Liability Partnership incorporated outside India and has not made investments in firms, Limited Liability Partnerships incorporated in India or any other parties. The Company has not provided any guarantee or security or granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

b. According to the information and explanations given to us and the records of the Company examined by us, the investments made are not prejudicial to the Company's interest.

c. The company has not provided loans, advances in the nature of loans, and security to Companies, Firms, Limited Liability Partnerships or any other parties. Therefore, the requirement to report under clauses (iii) (d) to (f) of para 3 of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, in respect of Investments made and Guarantee provided.

v. According to the information and explanations given to us and the records of the Company examined by us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Therefore, the clause (v) of para 3 of the order is not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has prescribed the maintenance of cost records under Section 148(1) of the Act in respect of products manufactured by the Company.

We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records u/s 148 (1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made detailed examination of the records with a view to determine whether they are accurate or complete.

vii. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs duty, duty of excise and Cess and other material statutory dues as applicable to the Company with the appropriate authorities.

b. According to the information and explanations given to us and the records of the Company examined by us, details of disputed taxes not deposited are as follows:

Rupees in crores

Name of the Statute / (Nature of dues)	Period of dues	Amount in ₹	Forum where dispute is pending
Central Excise Act, 1944 (Cenvat / Excise Duty)	2013-14 to 2015-16	3.88	Central Excise and Service Tax Appellate Tribunal, Bangalore
Central Excise Act, 1944 (Cenvat / Excise Duty)	1999-00 to 2004-05 and 2015-16	19.39	Pending before Origininal assessing Authority for Giving effect order to Appellate order of CESTAT, Chennai
Finance Act, 1994 (Service Tax)	2002-2014	0.91	Central Excise and Service Tax Appellate Tribunal, Chennai / Bangalore
Goods and Service Tax Act	2017-18 to 2020-21	17.51	Commissioner (Appeals) - GST - Andhra Pradesh, Telangana, Rajasthan, Madhya pradesh, Delhi, Chattisgarh, Bihar, West Bengal, Karnataka, Uttar Pradesh, Assam and Maharashtra
Goods and Service Tax Act	2020-21	4.45	Writ before High Court of Madras
Income Tax	AY 2016-17	3.58	Commissioner of Income Tax (Appeals)
Income Tax	AY 2017-18	2.54	Deputy Commissioner of Income Tax
Income Tax	AY 2018-19	6.70	Deputy Commissioner of Income Tax

viii. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. On the basis of verification of records, the procedures performed by us, on an overall examination of the financial statements of the Company and according to the information and explanations given to us,

a. the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. the Company is not declared wilful defaulter by any bank or financial institution or any Lender.

c. the term loans were applied for the purpose for which the loans were obtained.

d. the Company has not utilized funds raised on short-term basis for long-term purposes.

e. the Company has not taken funds from any entities and persons on account of or to meet the obligations of its subsidiaries or associates.

f. the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.

x. a. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

b. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year.

xi. a. During the course of our examination of the books and records of the Company, carried out based upon the generally accepted audit procedures performed for the purpose of reporting the true and fair view of the Standalone financial statements, to the best of our knowledge and belief and as per the information and explanations given to us by the Management, and the representations obtained from the Management, no fraud by the Company or no material fraud on the Company have been noticed or reported during the year.

b. During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us 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 and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under Clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.

xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b. The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with the directors during the year and hence provisions of Section 192 of the Act are not applicable.

xvi. According to the information and explanations given to us and based on the information given to us and records verified by us,

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

b. The Company has not conducted any Non-Banking Financial or Housing Finance activities, accordingly, reporting under clause 3(xvi)(b) of the order is not applicable

c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on Clause (xvi)(c) of the Order is not applicable to the Company.

d. The Group does not have more than one Core Investment Company, as defined under Core Investment Companies (Reserve Bank) Directions 2016.

xvii. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not incurred cash losses in the current year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year.

xix According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 32 to the Standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, 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. According to the information and explanations given to us, In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act.

There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number: 004207S

S. USHA
Partner
Place: Chennai
Membership No.: 211785
Date: 28th April 2025
UDIN: 25211785BMIWEF9338

Annexure - B

to the Independent Auditors' Report - 31st March 2025

[Referred to in paragraph 2(f) of our "Report on Other legal and Regulatory Requirements" section of our report of even date]

Report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of TVS Motor Company Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 (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 Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

5. 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number: 004207S

S. USHA
Partner
Place: Chennai
Membership No.: 211785
Date: 28th April 2025
UDIN: 25211785BMIWEF9338

Balance Sheet

as at 31st March 2025

Rupees in crores

	Notes	As at 31-03-2025	As at 31-03-2024
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,880.22	3,442.18
Capital work-in-progress	2	642.04	329.73
Other intangible assets	2	466.14	329.67
Intangible assets under development	2	596.78	600.41
Financial assets			
i. Investments	3	9,038.23	6,828.07
ii. Other financial assets	4	28.00	152.69
Non-Current tax assets (Net)		-	22.34
Other non-current assets	5	229.61	139.33
		14,881.02	**11,844.42**
Current assets			
Inventories	6	1,725.76	1,370.80
Financial assets			
i. Investments	3	233.19	163.19
ii. Trade receivables	7	1,280.06	1,302.14
iii. Cash and cash equivalents	8	293.56	485.83
iv. Bank balances other than (iii) above	9	264.77	45.13
v. Other financial assets	10	97.55	77.25
Other current assets	11	1,186.98	773.48
		5,081.87	**4,217.82**
Total assets		**19,962.89**	**16,062.24**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	47.51	47.51
Other equity	13	9,889.14	7,683.53
		9,936.65	**7,731.04**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	834.51	986.91
ii. Lease liabilities		192.63	313.07
Provisions	15	255.94	205.87
Deferred tax liabilities (Net)	16	265.92	187.05
Other Non current liabilities		28.00	31.50
		1,577.00	**1,724.40**
Current liabilities			
Financial liabilities			
i. Borrowings	17	900.43	526.53
ii. Lease liabilities		108.39	137.11
iii. Trade payables	18		
a. Total outstanding dues of micro and small enterprises		37.21	34.80
b. Total outstanding dues of other than (iii) (a) above		6,116.45	5,077.37
iv. Other financial liabilities	19	310.92	126.95
Other current liabilities	20	754.31	526.63
Provisions	15	184.13	143.60
Current Tax Liabilities (net)		37.40	33.81
		8,449.24	**6,606.80**
Total liabilities		**10,026.24**	**8,331.20**
Total equity and liabilities		**19,962.89**	**16,062.24**
Material accounting policies	1		

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No. : 211785

Statement of Profit and Loss

for the year ended 31st March 2025

Rupees in crores

		Notes	Year Ended 31-03-2025	Year Ended 31-03-2024
I	Revenue from operations	21	36,251.32	31,776.37
II	Other income	22	58.01	148.53
III	**Total income (I + II)**		**36,309.33**	**31,924.90**
IV	Expenses :			
	Cost of materials consumed	23	25,542.35	23,244.16
	Purchase of stock-in-trade	23	406.73	389.37
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(188.43)	(204.56)
	Employee benefits expense	24	1,970.26	1,595.87
	Finance costs	25	138.66	181.63
	Depreciation and amortisation expense	26	744.60	700.35
	Other expenses	27	4,066.37	3,237.42
	Total expenses		**32,680.54**	**29,144.24**
V	**Profit before exceptional items and tax (III - IV)**		**3,628.79**	**2,780.66**
VI	Exceptional items		-	-
VII	**Profit before tax (V + VI)**		**3,628.79**	**2,780.66**
VIII	Tax expense / (credit)	28		
	i. Current tax		867.67	702.08
	ii. Deferred tax		50.58	(4.42)
	Total Tax expense (i+ii)		**918.25**	**697.66**
IX	**Profit for the year (VII - VIII)**		**2,710.54**	**2,083.00**
X	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		6.39	(20.48)
	Fair value changes of equity instruments		23.06	0.84
	Income tax relating to these items		(4.49)	5.02
	B. Items that will be reclassified to profit or loss:			
	Fair value changes on cash flow hedges		10.23	(6.84)
	Income tax relating to these items		(2.57)	1.72
	Other comprehensive income for the year, net of tax		32.62	(19.74)
XI	**Total comprehensive income for the year (IX + X)**		2,743.16	2,063.26
XII	Earnings per equity share (Face value of ₹ 1/- each)			
	Basic & Diluted earnings per share (in rupees)	36	57.05	43.84
	Material accounting policies	1		

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No. 004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Statement of Changes in Equity

a Equity Share Capital

Rupees in crores

As at 01-04-2023	47.51
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2023	47.51
Changes in equity share capital during the year	-
As at 31-03-2024	47.51
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2024	47.51
Changes in equity share capital during the year	-
As at 31-03-2025	**47.51**

b Other Equity

Rupees in crores

Particulars	Reserves & Surplus			Other Reserves			Total
	General reserve	Capital reserve	Retained earnings	Equity Instruments Fair Valued through Other Comprehensive Income (FVTOCI)	Hedging reserve	Treasury shares	
Balance as at 01-04-2023	**865.64**	**6.43**	**5,125.20**	**1.72**	**1.35**	**-**	**6,000.34**
Add : Profit for the year 2023-24	-	-	2,083.00	-	-	-	2,083.00
Add : Other comprehensive income for the year 2023-24 (net of tax)	-	-	(15.33)	0.71	(5.12)	-	(19.74)
Less : Distribution to shareholders:							
2023-24 Interim dividend	-	-	380.07	-	-	-	380.07
Balance as at 31-03-2024	**865.64**	**6.43**	**6,812.80**	**2.43**	**(3.77)**	**-**	**7,683.53**
Add : Profit for the year 2024-25	-	-	2,710.54	-	-	-	2,710.54
Add : Other comprehensive income for the year 2024-25 (net of tax)	-	-	4.78	20.18	7.66	-	32.62
Less: Treasury shares held by ESOP Trust	-	-	-	-	-	62.46	62.46
Less : Distribution to shareholders:							
2024-25 Interim dividend	-	-	475.09	-	-	-	475.09
Balance as at 31-03-2025	**865.64**	**6.43**	**9,053.03**	**22.61**	**3.89**	**(62.46)**	**9,889.14**

Nature and purpose of Other Reserves

1. General reserve is available for distribution to shareholders.

2. Capital reserve

		Rupees in crores
i.	On Shares forfeited (₹ 55,200/-)	-
ii.	On surplus arising out of amalgamation	6.43
		6.43

3. FVTOCI reserve

   The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity.

4. Hedging Reserve - Refer Note No. 30 (D)

   It represents the effective portion of the fair value of forward/option contracts designated as cashflow hedge

5. Treasury Shares

   The Treasury shares of the Company are held by the TVSM Employees Stock Option Trust (ESOP Trust) under the TVS Motor Company Employee Stock Option Plan implemented to its eligible employees. The equity shares of the Company have been acquired and held by ESOP Trust, to be transferred to employees upon the exercise of their stock options.

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Cash Flow Statement

for the year ended 31st March 2025

Rupees in crores

		Year ended 31-03-2025		Year ended 31-03-2024	
A.	**Cash flow from operating activities:**				
	Profit before tax		3,628.79		2,780.66
	Add:				
	Depreciation and amortisation for the year	744.60		700.35	
	(Profit) / loss on sale of property, plant and equipment (Net)	(8.42)		(2.63)	
	(Profit) on sale of investments (Net)	(1.15)		(145.39)	
	Loss / (Gain) on valuation of investment (Net)	78.27		26.93	
	(Gain) on lease preclosure (Net)	(0.07)		(4.75)	
	Unrealised exchange loss / (Gain) (Net)	9.95		10.82	
	Dividend income	(100.27)		(2.61)	
	Interest income	(19.87)		(18.88)	
	Finance cost	138.66		181.63	
	Share based payment expense	32.81		-	
	Provisions	95.14		52.98	
			969.65		798.45
	Operating profit before working capital changes		**4,598.44**		**3,579.11**
	Adjustments for:				
	Trade receivables	10.94		(329.85)	
	Inventories	(354.96)		(134.44)	
	Other current assets	(413.50)		198.71	
	Other financial assets	(231.76)		(24.68)	
	Trade payables	1,042.68		977.79	
	Other financial liabilities	205.06		5.14	
	Other current liabilities	229.81		15.46	
	Other non - current assets	10.31		(53.76)	
			498.58		654.37
	Cash generated from operations		**5,097.02**		**4,233.48**
	Direct taxes paid (Net of refunds)		(831.35)		(616.19)
	Net cash from operating activities	(A)	**4,265.67**		**3,617.29**
B.	**Cash flow from investing activities:**				
	Purchase of property, plant and equipment, intangible assets, including capital advances	(1,798.47)		(1,088.81)	
	Proceeds from sale of property, plant and equipment	18.76		33.31	
	Share application money paid	-		(121.19)	
	Investments in subsidiaries/associates	(2,129.26)		(1,338.15)	
	Purchase of Other investments	(134.52)		(31.65)	
	Sale of Investments in subsidiaries/associates	4.15		576.82	
	Sale / redemption of other investments	49.51		54.06	
	Interest received	18.74		17.37	
	Dividends received	100.27		1.98	
			(3,870.82)		(1,896.26)
	Net cash used in investing activities	(B)	**(3,870.82)**		**(1,896.26)**

Rupees in crores

		Year ended 31-03-2025		Year ended 31-03-2024	
C.	**Cash flow from financing activities :**				
	Borrowings:				
	Non-current borrowings availed / (Repaid)	219.99		(289.49)	
	Current borrowings availed / (Repaid)	-		(440.00)	
	Other bank balances	-		(39.47)	
	Finance cost	(138.42)		(213.73)	
	Purchase of treasury shares by ESOP Trust	(95.27)		-	
	Repayment of lease liabilities	(98.33)		(106.79)	
	Dividend	(475.09)		(380.07)	
			(587.12)		(1,469.55)
	Net cash from financing activities	(C)	**(587.12)**		**(1,469.55)**
	Total (A+B+C)		**(192.27)**		**251.48**
	Cash and cash equivalents at the beginning of the year		485.83		234.35
	Cash and cash equivalents at the end of the year (Refer Note No 8)		293.56		485.83
D.	**Net (decrease)/Increase in cash and cash equivalents**		**(192.27)**		**251.48**

Change in liability arising from financing activities:

Particulars	As at 01-04-2024	Cash flow	Foreign exchange movement	Amortisation	As at 31-03-2025
Non-current borrowings	1,513.44	219.99	-	1.51	1,734.94
Current borrowings	-	-	-	-	-

Non-cash investing activities:

Particulars	2024-25	2023-24
Acquisition of right-of-use assets	144.91	160.55
Acquisition of investment	-	-

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As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Notes to the Financial Statements

1. Material Accounting Policies

The accounting policies mentioned herein are relating to the standalone financial statements of the Company.

a) Brief description of the Company

TVS Motor Company Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at "Chaitanya", No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600 006, Tamil Nadu, India.

The Company manufactures two wheelers, three wheelers, parts and accessories thereof. The Company has manufacturing plants located at Hosur in Tamil Nadu, Mysuru in Karnataka and Nalagarh in Himachal Pradesh.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"), and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

These financial statements for the year ended 31st March 2025 have been approved and authorized for issue by the board of directors at its meeting on 28th April 2025.

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments are included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Significant Estimates and judgments

The areas involving critical estimates or judgments are:

i) Estimation of fair value of unlisted securities - Refer Note 29

ii) Defined benefit obligation - Refer Note 33

iii) Estimation of useful life of Property, Plant and Equipment – Refer Note 1(f) and 1(g)

iv) Estimation and evaluation of provisions and contingencies relating to tax litigations – Refer Note 40(a).

e) Revenue recognition

Performance obligation: The revenue is recognized on fulfilment of performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

Sale of products

The Company earns revenue primarily from sale of automotive vehicles, parts and accessories.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision. (Refer Note 37)

Revenue is recognised when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Company has objective evidence that all criteria for acceptance have been satisfied.

Sale of services

The Company also earns revenue from providing Technical / IT services and Royalty on usage of Company's technical knowhow.

In respect of Technical / IT service, the revenue is recognised on a time proportion basis as the customer simultaneously receives and consumes the benefits as the obligations are performed. Payment for the services provided are received as per the credit terms agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

Notes to the Financial Statements (Contd.)

In respect of Royalty, the performance obligation is, to provide the right-to-use the Company's technical knowhow by the customers, for which usage-based royalty is charged. Payment for the services provided is received as per the credit terms as agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

Warranty Obligations

The Company provides warranties for products sold as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets.

Significant judgements

There are no significant judgements made by the Company in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract.

f) Property, Plant and Equipment

Property, plant and equipment (including land, building, furniture and fixtures, office equipment, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes. Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation /amortisation, and impairment if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred up to the date the asset is ready for its intended use net of cost reimbursed if any. However, cost excludes Goods and Services Tax to the extent credit of the tax is availed of.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for its intended use. Property, plant and equipment not ready for the intended use, on the date of Balance sheet, are disclosed as “Capital work-in progress”.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to Profit and Loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss with in other income /expenses.

g) Depreciation and amortisation

i) Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering the required number of shifts in use) as evaluated by a Chartered Engineer, on straight line method, in accordance with Part A of Schedule II to the Companies Act 2013. The useful life of the Property, plant and equipment are reviewed annually with respect to estimates and changes if any are, being accounted for on a prospective basis.

ii) Keeping in mind the rigorous and periodic maintenance program followed by the Company, the estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Company is given below:

Description	Years
Factory building and other buildings	5 to 61
Plant and machinery	5 to 29
Electrical equipment	15
Furniture and fixtures	10
Computers and information systems	3 to 4
Material handling equipment	5
Mobile phone	2
Vehicles	3 to 6

iii) Tools and dies are generally depreciated based on quantity of components manufactured, subject to a maximum of 5 years. Tools and dies used for low volume models are depreciated over a period of 9 years.

iv) Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

v) On property, plant and equipment added / disposed of during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

vi) Depreciation in respect of tangible assets costing less than ₹ 10,000/- is provided at 100%.

h) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Notes to the Financial Statements (Contd.)

Internally-generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 – Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2-3 years in the case of software and 6 to 10 years in the case of Design, Development and Technical knowhow. The useful life of the Intangible assets are reviewed annually with respect to estimates and changes if any are, being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised as profit or loss with in other income /expenses.

i) Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for, the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e., in Indian rupee (INR) and all values are rounded off to nearest crores except otherwise indicated.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

b) Non-monetary items denominated in foreign currency such as investments, Property, Plant and Equipment, etc., are valued at the exchange rate prevailing on the date of transaction. Non-monetary investments measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on account of such translation is recognized in OCI or Profit and Loss in line with the designation of the respective item.

c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

k) Hedge accounting

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 29. Movements in the hedging reserve in shareholders'

Notes to the Financial Statements (Contd.)

equity are shown in Note 30 (D). The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss.

When forward contracts are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit and loss in the periods when the hedged item affects profit and loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit and loss.

l) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials, components, stores and spares are ascertained on a moving average basis.

ii) Cost of finished goods and work-in-progress comprise of direct materials, direct labour and an appropriate proportion of variable and fixed overhead, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory includes cost of purchase and other cost incurred in bringing the inventories to the current location after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

iii) Provision for slow and Obsolete inventory:

The company has a policy for identifying slow/ nonmoving inventory. Based on the policy value inventory is provided for obsolescence based on ageing.

m) Employee benefits

i) Short term obligations

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

ii) Other long term employee benefit

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are charged to Profit and Loss account.

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

Notes to the Financial Statements (Contd.)

iii) Post-employment obligation

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for its eligible senior managers; and

b) Defined contribution plans such as provident fund.

Pension and gratuity obligation

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated- at the end of each reporting period by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (net-off deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Provident fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

n) Taxes on income

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit and or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Notes to the Financial Statements (Contd.)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

o) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit and loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets.

In case of waiver of duty under EPCG license, such grant is considered as revenue grant and recognized in statement of profit and loss on positive evidence of completion of export obligation as approved by the Regulatory Authorities.

The benefit of a government loan at a below market-rate of interest is treated as government grant and is measured as the difference between proceeds received and fair value of the loan.

p) Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

q) Provisions and contingent liabilities

i) Provision

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is recorded when products are sold based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability, are considered as contingent liabilities. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

iii) Warranty

Provision is made for estimated warranty claims in respect of vehicles sold which are still under warranty at the end of the reporting period. These claims are expected to be settled from the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historic and the dues which are payable within 12 Months is classified as current and others are non-current.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

Notes to the Financial Statements (Contd.)

The Company's Chief Operating Decision Maker (CODM) examines Risks and Rewards of the entity's performance and allocates the resources aligning with the Company's strategy.

The Company identified operations from which significant risks and rewards are derived in two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial services.

Profit /Loss of the Financial services vertical represents dividend, interest, profit / (Loss) on fair valuation / sale of investments.

The Investments of the Company in TVS Credit Services Limited and TVS Motor Services Limited and other non-strategic companies categorized as Financial services.

s) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of buildings, for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option
- payments to be made under reasonably certain extension options are also included in the measurement of the liability.
- The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The carrying amount of lease liability is reduced by net lease payments (i.e. lease payments net off finance cost).

Variable lease payments that depend on sales are recognised in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Notes to the Financial Statements (Contd.)

t) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

u) Trade receivables

Trade receivables are measured at their transaction price on initial recognition, unless it contains a significant financing component or pricing adjustments embedded in the contract in which cases, it is recognised at fair value. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less allowance for expected credit loss.

v) Contract liabilities

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

w) Investments and Other financial assets

i) Classification

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through Fair Value Through Other Comprehensive Income (FVTOCI), or Fair Value Through Profit or Loss (FVTPL)), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At Initial recognition, the Company measures a financial asset at its fair value plus transaction cost (in the case of a financial asset not at FVTPL) that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit and loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss.

Fair Value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit and loss and presented in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately.

Notes to the Financial Statements (Contd.)

Where the Company elects to measure fair value through profit or loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Investment in subsidiaries / associates

Investment in subsidiaries / associates are measured at cost less provision for impairment.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 30 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognised only when:

a) the Company has transferred the rights to receive cash flows from the financial asset or

b) the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred a financial asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

x) Financial Liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included under 'Finance costs'.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

y) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying

Notes to the Financial Statements (Contd.)

assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

z) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

In respect of other assets, it is treated as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

aa) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the 'profit attributable to ordinary equity shareholders' by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

ab) Treasury Shares

The Company has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Company from the market for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting conditions, the balance lying in "Treasury share reserve" is transferred to "Retained earnings".

ac) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31-03-2025

Rupees in crores

Description	Property, Plant & Equipment								Other Intangible		
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use Asset	Total	Software	Design Development	Total
Cost of assets											
Gross carrying value as at 01-04-2024	453.77	1,057.52	5,114.63	154.54	60.03	265.42	700.19	7,806.10	199.14	721.09	920.23
Additions	66.64	35.89	580.95	35.24	275.36	56.87	144.91	1,195.86	90.91	239.14	330.05
Sub-total	**520.41**	**1,093.41**	**5,695.58**	**189.78**	**335.39**	**322.29**	**845.10**	**9,001.96**	**290.05**	**960.23**	**1,250.28**
Sales / deletion	-	2.51	90.28	0.14	7.86	7.22	388.70	496.71	-	-	-
Total	**520.41**	**1,090.90**	**5,605.30**	**189.64**	**327.53**	**315.07**	**456.40**	**8,505.25**	**290.05**	**960.23**	**1,250.28**
Depreciation / Amortisation											
Upto 31-03-2024	-	349.22	3,396.08	88.56	37.07	194.98	298.01	4,363.92	170.01	420.55	590.56
For the year	-	40.94	343.74	19.25	26.92	40.47	79.70	551.02	51.46	142.12	193.58
Sub-total	**-**	**390.16**	**3,739.82**	**107.81**	**63.99**	**235.45**	**377.71**	**4,914.94**	**221.47**	**562.67**	**784.14**
Withdrawn on assets sold / deleted	-	2.27	79.62	0.11	7.75	7.12	193.04	289.91	-	-	-
Total	**-**	**387.89**	**3,660.20**	**107.70**	**56.24**	**228.33**	**184.67**	**4,625.03**	**221.47**	**562.67**	**784.14**
Net carrying value as at 31-03-2025	520.41	703.01	1,945.10	81.94	271.29	86.74	271.73	3,880.22	68.58	397.56	466.14

a) Cost of buildings includes ₹ 30.99 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹ 0.51 crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - Nil

Capital work-in-progress (at cost) as at 31-03-2025

(a) Building	304.63
(b) Plant & equipment	337.41
Total	**642.04**

Ageing of Capital work-in-progress as at 31-03-2025

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	496.91	109.44	16.90	18.79	642.04

Ageing of Intangible assets under development (at cost) as at 31-03-2025

Particulars	Amount in Intangible assets under development for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	308.31	224.43	27.51	36.53	596.78

Capital work-in-progress and Intangible asset under development:

There is no Capital work in progress and Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31-03-2024

Rupees in crores

Description	Property, Plant & Equipment								Other Intangible		
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use Asset	Total	Software	Design Development	Total
Cost of assets											
Gross carrying value as at 01-04-2023	397.56	959.46	4,867.15	111.28	52.22	227.09	579.77	7,194.53	177.35	616.04	793.39
Additions	56.21	101.96	380.45	43.27	13.74	42.32	160.55	798.50	21.79	105.05	126.84
Sub-total	**453.77**	**1,061.42**	**5,247.60**	**154.55**	**65.96**	**269.41**	**740.32**	**7,993.03**	**199.14**	**721.09**	**920.23**
Sales / deletion	-	3.90	132.97	0.01	5.93	3.99	40.13	186.93	-	-	-
Total	**453.77**	**1,057.52**	**5,114.63**	**154.54**	**60.03**	**265.42**	**700.19**	**7,806.10**	**199.14**	**721.09**	**920.23**
Depreciation / Amortisation											
Upto 31-03-2024	-	313.66	3,149.17	76.41	32.77	166.29	196.06	3,934.36	133.42	324.25	457.67
For the year	-	38.49	350.66	12.15	9.00	32.68	124.48	567.46	36.59	96.30	132.89
Sub-total	**-**	**352.15**	**3,499.83**	**88.56**	**41.77**	**198.97**	**320.54**	**4,501.82**	**170.01**	**420.55**	**590.56**
Withdrawn on assets sold / deleted	-	2.93	103.75	-	4.70	3.99	22.53	137.90	-	-	-
Total	-	349.22	3,396.08	88.56	37.07	194.98	298.01	4,363.92	170.01	420.55	590.56
Net carrying value as at 31-03-2024	453.77	708.30	1,718.55	65.98	22.96	70.44	402.18	3,442.18	29.13	300.54	329.67

a) Cost of buildings includes ₹ 11.42 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹ 0.51 crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - ₹ 1.78 Crores

Capital work-in-progress (at cost) as at 31-03-2024

(a) Building	58.44
(b) Plant & equipment	271.29
Total	**329.73**

Ageing of Capital work-in-progress as at 31-03-2024

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	219.43	33.17	61.97	15.16	329.73

Ageing of Intangible assets under development (at cost) as at 31-03-2024

Particulars	Amount in Intangible assets under development for a period of				
	<1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	345.38	168.61	64.86	21.56	600.41

Capital work-in-progress and Intangible asset under development:

There is no Capital work in progress and Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to the Financial Statements (Contd.)

3 Investments

3A Non Current Investments

Sl. No.	Particulars	Subsidiary / Associate	No. of shares / units		Face Value	Currency	Rupees in crores	
			As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	**Investment in Equity Instruments :**							
	Fair valued through OCI:							
	Quoted :							
	(i) Ucal Fuel Systems Limited, Chennai		91,760	91,760	10.00	INR	1.20	1.33
	Unquoted :							
	(ii) Green Infra BTV Limited, New Delhi		32,50,000	32,50,000	10.00	INR	2.04	1.89
	(iii) TVS Lanka (Private) Limited, Colombo		50,00,000	50,00,000	10.00	LKR	16.99	4.48
	(iv) Green Infra Wind Power Projects Limited, New Delhi		1,11,600	1,11,600	10.00	INR	0.08	0.08
	(v) Green Infra Wind Power Generation Limited, New Delhi		2,16,000	2,16,000	10.00	INR	0.19	0.18
	(vi) Condivision Solutions Pvt. Limited, Bengaluru		6,760	6,760	10.00	INR	-	-
	(vii) Mulanur Renewable Energy Pvt. Limited, Chennai		15,000	15,000	10.00	INR	0.02	0.02
	(viii) Atria Wind Power Bijapur 1 Limited, Bengaluru		1,01,217	1,01,217	10.00	INR	2.00	2.00
	(ix) Altizon Systems Private Limited, Pune		10	10	10.00	INR	0.01	0.01
	(x) Roppen Transportation Services Private Limited, Hyderabad		10	10	1.00	INR	0.05	0.05
	(xi) Roppen Transportation Services Private Limited, Hyderabad[$]		23,985	23,985	10.00	INR	125.84	119.73
	(xii) Green Infra Wind Energy Generation Limited, Gurugram		23,45,000	28,45,000	10.00	INR	2.35	2.85
	(xiii) Atria Wind Power (Basavana Bagewadi), Bengaluru		47,000	-	100.00	INR	0.91	-
	(xiv) Indian Foundation for Quality Management, Bengaluru		2,50,00,000	-	10.00	INR	25.00	-
	Valued at Cost (Unquoted):							
	(i) Sundaram Auto Components Limited, Chennai	Subsidiary	1,19,37,422	1,19,37,422	10.00	INR	108.46	108.46
	(ii) TVS Motor Company (Europe) B.V., Amsterdam	Subsidiary	2,25,301	2,25,301	100.00	EUR	1.80	1.80
	(iii) TVS Motor (Singapore) Pte. Limited, Singapore	Subsidiary	90,76,19,207	67,16,85,616	1.00	SGD	5,195.12	3,576.68
	(iv) PT.TVS Motor Company Indonesia, Jakarta	Subsidiary	85,97,000	85,97,000	97,400.00	IDR	389.06	389.06
	(v) TVS Digital Limited, Chennai (Formerly known as TVS Housing Limited)	Subsidiary	-	30,50,000	10.00	INR	-	3.05
	(vi) TVS Motor Services Limited, Chennai	Subsidiary	14,96,33,814	14,96,33,814	10.00	INR	148.68	148.68
	(vii) TVS Credit Services Limited, Chennai	Subsidiary	20,23,19,089	19,54,24,754	10.00	INR	2,243.65	1,960.99
	(viii) TVS Credit Services Limited, Chennai[$]	Subsidiary	31,69,773	31,69,773	10.00	INR	100.00	100.00
	(ix) TVS Electric Mobility Limited, Chennai	Subsidiary	10,00,000	10,00,000	10.00	INR	1.00	1.00
	(x) TVSM DMCC, Dubai	Subsidiary	92,000	-	1,000.00	AED	210.78	-
	(xi) DriveX Mobility Pvt Ltd, Coimbatore	Subsidiary	20,981	9,766	10.00	INR	225.74	87.17
	(xii) Ultraviolette Automotive Private Limited, Bengaluru	Associate	14,850	14,850	10.00	INR	11.00	11.00
	(xiii) Ultraviolette Automotive Private Limited, Bengaluru[$]	Associate	12,316	12,316	*	INR	110.00	110.00

Notes to the Financial Statements (Contd.)

Sl. No.	Particulars	Subsidiary / Associate	No. of shares / units		Face Value	Currency	Rupees in crores	
			As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
	(xiv) Indian Foundation for Quality Management, Bengaluru^	Associate	-	2,50,00,000	10.00	INR	-	25.00
	Total value of Equity Instruments (a)						**8,921.97**	**6,655.51**
(b)	**Investments in Preference Shares (Unquoted):**							
	Fair valued through OCI :							
	(i) Axiom Research Labs Private Limited, Delhi		82	82	10.00	INR	-	-
	(ii) Pinnacle Engines Inc., USA (face value 0.01 cent)		24,09,638	24,09,638	0.0001	USD	-	-
	Fair valued through Profit and Loss :							
	(iii) TVS Motor Services Limited, Chennai	Subsidiary	5,00,00,000	5,00,00,000	10.00	INR	50.00	50.00
	Total value of Preference shares (b)						**50.00**	**50.00**
(c)	**Investment in Debt Instruments (unquoted):**							
	Valued at Amortised Cost :							
	(i) Fabric IOT Private Limited, Bengaluru					INR	-	17.79
	Pension Funds / Government Securities							
	(ii) ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai					INR	6.95	6.63
	(iii) Life Insurance Corporation Pension Policy, Mumbai					INR	21.88	20.35
	Fair valued through Profit and Loss :							
	(iv) Fabric IOT Private Limited, Bengaluru					INR	-	45.00
	Total value of Debt instruments (c)						**28.83**	**89.77**
(d)	**Other non-current Investments (Unquoted):**							
	Fair valued through OCI:							
	(i) Autotech Fund I, L.P., USA					USD	37.43	32.79
	Total value of other non-current investments (d)						**37.43**	**32.79**
	Total (a) + (b) + (c) + (d)						**9,038.23**	**6,828.07**
	Aggregate amount of quoted investments and market value thereof						1.20	1.33
	Aggregate amount of unquoted investments						9,037.03	6,826.74
	Total						**9,038.23**	**6,828.07**

All investments are fully paid up.

$ Preference shares in the nature of equity instruments

^ Moved from investment in Associates to Non current investments

*Particulars of preference shares held in Ultraviolette Automotive Private Limited, Bengaluru	No. of shares / units		Face Value (in ₹)
	As at 31-03-2025	As at 31-03-2024	
Series A2 Preference Shares	990	990	50,545
Series B Preference Shares	7,387	7,387	40,616
Series C Preference Shares	3,939	3,939	1,90,384
Total	**12,316**	**12,316**	

Notes to the Financial Statements (Contd.)

3B Current Investments

Sl. No.	Particulars	Subsidiary / Associate	No. of shares / units		Face Value (in ₹)	Currency	Rupees in crores	
			As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(a)	**Investment in Equity Instruments Fair valued through Profit or**							
	Loss :							
	Quoted :							
(i)	TVS Supply Chain Solutions Limited, Chennai		1,92,72,200	1,05,62,200	1.00	INR	233.19	163.19
	Total (a)						**233.19**	**163.19**
	Aggregate amount of Quoted investments						233.19	163.19
	Total						**233.19**	**163.19**

All investments are fully paid up.

4 Other Financial Assets - Non Current

Rupees in Crores

	As at 31-03-2025	As at 31-03-2024
Claims receivable	28.00	31.50
Share application money paid (pending allotment)	-	121.19
	28.00	**152.69**

5 Other Non-Current Assets

Rupees in Crores

	As at 31-03-2025	As at 31-03-2024
Capital advances	215.67	125.91
Prepaid expense	3.44	-
Advances other than capital advances:		
Deposits made	10.50	13.42
	229.61	**139.33**

6 Inventories

Rupees in Crores

	As at 31-03-2025	As at 31-03-2024
Raw materials and components	728.97	650.11
Goods-in-transit - Raw materials and components	132.47	44.99
Work-in-progress	50.12	48.89
Finished goods	617.84	466.13
Stock-in-trade	140.19	104.70
Stores and spares	56.17	55.98
	1,725.76	**1,370.80**

Notes to the Financial Statements (Contd.)

7 Trade Receivables

Rupees in crores

	As at 31-03-2025	As at 31-03-2024
Secured, considered good	14.03	14.13
Unsecured, considered good*	1,266.03	1,288.01
Receivables which have significant increase in credit risk	29.60	28.13
	1,309.66	**1,330.27**
Less: Loss allowance	29.60	28.13
	1,280.06	**1,302.14**

* Includes balances with related parties [Refer Note 35 (c)(i)]

(i) Ageing for trade receivable as on 31.03.2025

Rupees in crores

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	1,060.26	168.55	40.84	4.38	6.03	1,280.06
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	1.09	0.21	2.70	1.66	23.94	29.60
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**1,061.35**	**168.76**	**43.54**	**6.04**	**29.97**	**1,309.66**

(ii) Ageing for trade receivable as on 31.03.2024

Rupees in crores

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	1,009.64	279.69	7.12	4.11	1.58	1,302.14
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	1.08	1.31	25.74	28.13
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**1,009.64**	**279.69**	**8.20**	**5.42**	**27.32**	**1,330.27**

8 Cash and Cash Equivalents

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Balances with banks	293.29	235.62
Cash on hand	0.27	0.21
Cash equivalents:		
Deposits with maturity of less than three month from the date of deposit	-	250.00
	293.56	485.83
Cash and cash equivalents for the purpose of cash flow statement	**293.56**	**485.83**

Notes to the Financial Statements (Contd.)

9 Other Bank Balances

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Earmarked balances with banks^	264.66	45.02
Deposits with maturity of more than three month and less than one year from the date of deposit	0.11	0.11
	264.77	**45.13**

^ Includes balances towards unpaid dividend

10 Other Financial Assets - Current

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Unsecured, considered good :		
- Employee advances	13.83	11.75
- Other bank balances (Bank deposit)	2.09	2.09
- Security deposits	43.45	37.72
- Claims receivable	22.45	25.69
- Hedge asset - receivable	15.73	-
	97.55	77.25

11 Other Current Assets

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Balances with tax authorities	515.01	424.99
Prepaid expense	103.50	71.44
Vendor advance*	125.71	109.94
Trade deposits	1.11	0.89
Incentive receivable from government^	468.13	182.61
Employee benefit assets (Refer Note 33)	5.91	4.77
	1,219.37	**794.64**
Less: Loss allowance	32.39	21.16
	1,186.98	**773.48**

* Includes balances with related parties [Refer Note 35(c)(i)]

^ Includes EV subsidy receivable of ₹ 210.96 crores (Previous Year ₹148.62 crores)

^ Includes PLI receivable of ₹ 214.35 crores (Previous Year Nil)

12 Equity Share Capital

(a) Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rupees in crores	Number	Rupees in crores
Authorised:				
Equity shares of ₹ 1/- each	50,00,00,000	50.00	50,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 1/- each	47,50,87,114	47.51	47,50,87,114	47.51
	47,50,87,114	**47.51**	**47,50,87,114**	**47.51**

Notes to the Financial Statements (Contd.)

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	47,50,87,114	47.51	47,50,87,114	47.51
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**47,50,87,114**	**47.51**	**47,50,87,114**	**47.51**

(c) (i) Rights and preferences attached to equity share:

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act,2013.

(ii) There are no restrictions attached to equity shares.

(d) Shares held by Holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26

(e) Shareholders holding more than five percent at the end of the year (other than (d))

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Equity	3,49,41,063	7.35	3,75,37,940	7.90

(f) Shares held by Promoters at the end of the year 31-03-2025

Promoter name	Class of share	As at 31-03-2025		As at 31-03-2024		% change during the year
		No. of shares held	% of holding	No. of shares held	% of holding	
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

Shares held by Promoters at the end of the year 31-03-2024

Promoter name	Class of share	As at 31-03-2024		As at 31-03-2023		% change during the year
		No. of shares held	% of holding	No. of shares held	% of holding	
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

Notes to the Financial Statements (Contd.)

13 Other Equity

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
General reserve	865.64	865.64
Capital reserve	6.43	6.43
Retained earnings	9,053.03	6,812.80
Other Reserves	(35.96)	(1.34)
	9,889.14	**7,683.53**

14 Non-Current Liabilities - Financial Liabilities - Borrowings

Rupees in crores

Description	Frequency	No. of instal-ments due	Maturity	As at 31-03-2025	As at 31-03-2024
Secured:					
State owned corporation	Specific Period	2	Apr 2030	10.11	9.68
Unsecured:					
Non Convertible Debentures	End of Tenure	1	Mar 2026	124.93	124.87
Term loan from Bank - I	Quarterly	8	Mar 2027	289.98	429.96
Term loan from Bank - II	Quarterly	4	Mar 2026	46.46	199.56
Term loan from Bank - III	Quarterly	6	July 2026	104.17	187.38
Term loan from Bank - IV	Quarterly	5	May 2026	312.11	499.08
Term loan from Bank - V	Quarterly	12	Mar 2028	300.00	-
Term loan from Bank - VI	Quarterly	12	Mar 2028	150.00	-
Term loan from Bank - VII	Quarterly	20	Mar 2030	150.00	-
Term loan from Bank - VIII	Quarterly	12	Apr 2028	200.00	-
Sales Tax Deferral	Yearly	3	Jun 2027	47.18	62.91
Total Long-term Borrowings:				1,734.94	1,513.44
Less : Current Maturities of Long-term Borrowings				900.43	526.53
Total Long-term Borrowings (net)				**834.51**	**986.91**

Details of securities created:

(i) Soft loan - State owned corporation viz., SIPCOT - First charge on the specific plant and equipment and also secured by equitable mortgage created by way of deposit of title deeds of land.

Amount payable in each instalment:

Description	Currency	Amount*	Rate of Interest
State owned corporation	INR	₹ 4.45 crores and ₹ 9.24 crores	0.10%
		(Two instalments between April 2026 and April 2030)	
Non Convertible Debentures (12500 numbers, face value of ₹ 1 lakh each)	INR	₹125 crores at the end of the term - March 2026	Repo Rate plus Margin
Term Loan from Bank - I	INR	8 quarterly unequated instalments from 28th June 2025	6.30%
Term Loan from Bank - II	INR	4 quarterly equated instalments beginning from 30th June 2025	Repo Rate plus Margin
Term loan from Bank - III	INR	6 quarterly unequated instalments from 30th June 2025	Repo Rate plus Margin
Term loan from Bank - IV	INR	5 quarterly equated instalments beginning from 31st May 2025	Repo Rate plus Margin
Sales tax deferral	INR	₹15.73 crores per annum from June - 2025 to June - 2027	Nil
Term loan from Bank - V	INR	12 quarterly equated instalments beginning from 21st June 2025	Repo Rate plus Margin
Term loan from Bank - VI	INR	12 quarterly equated instalments beginning from 21st June 2027	Repo Rate plus Margin
Term loan from Bank - VII	INR	20 quarterly equated instalments beginning from 30th June 2025	Repo Rate plus Margin
Term loan from Bank - VIII	INR	12 quarterly equated instalments beginning from 19th July 2025	Repo Rate plus Margin

* undiscounted cash outflows

Notes to the Financial Statements (Contd.)

15 Provisions

Rupees in crores

Particulars	As at 31-03-2025		As at 31-03-2024	
	Current	Non-current	Current	Non-current
Provision for employee benefits:				
(a) Pension	58.29	124.24	65.85	100.25
(b) Leave salary	12.64	93.97	11.51	83.54
Others:				
(a) Warranty	113.20	37.73	66.24	22.08
	184.13	**255.94**	**143.60**	**205.87**

16 Deferred Tax Liabilities (Net)

The balance comprises temporary differences attributable to:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Deferred tax liability consists of tax impact on:		
- Depreciation	397.25	324.87
- Others	18.60	19.49
Total deferred tax liability (A)	**415.85**	**344.36**
Deferred tax asset consists of tax impact on:		
- Employee benefit expenses	35.48	49.14
- Warranty provision	37.99	23.95
- Others	76.46	84.22
Total deferred tax assets (B)	**149.93**	**157.31**
Net deferred tax liability (A)-(B)	**265.92**	**187.05**

Movement in deferred tax :

Rupees in crores

Particulars	Depreciation	Others	Total
As at 31-03-2023			198.20
Charged/(credited):			
- to profit or loss	34.07	(38.49)	(4.42)
- to other comprehensive income	-	(6.73)	(6.73)
As at 31-03-2024			187.05
Charged/(credited):			
- to profit or loss	72.38	(21.80)	50.58
- to other comprehensive income	-	7.06	7.06
- relating to earlier years	-	21.23	21.23
As at 31-03-2025			**265.92**

17 Financial Liabilities - Borrowings - Current

Rupees in crores

	As at 31-03-2025	As at 31-03-2024
Current Maturities of long term borrowings:		
Unsecured	900.43	526.53
	900.43	526.53

Notes to the Financial Statements (Contd.)

18 Trade Payables

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Dues to Micro and Small Enterprises **	37.21	34.80
Dues to enterprises other than Micro and Small Enterprises#	6,116.45	5,077.37
	6,153.66	5,112.17

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There is no principal or interest due thereon and remaining unpaid at the end of the year. (Refer Note 38)

Includes balances due to related parties [Refer Note 35 (c)(ii)].

Ageing for trade payables as on 31-03-2025

Rupees in crores

Particulars	Not due	Outstanding for following periods from due date of payment				
		<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises (MSME)	37.21	-	-	-	-	37.21
(ii) Others	3,685.53	618.20	11.56	19.52	25.34	4,360.15
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total (i) to (iv)	3,722.74	618.20	11.56	19.52	25.34	4,397.36
Accrued expenses						1,756.30
Total						**6,153.66**

Ageing for trade payables as on 31-03-2024

Rupees in crores

Particulars	Not due	Outstanding for following periods from due date of payment				
		<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises (MSME)	34.80	-	-	-	-	34.80
(ii) Others	3,181.44	309.99	29.46	19.48	20.25	3,560.62
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total (i) to (iv)	3,216.24	309.99	29.46	19.48	20.25	3,595.42
Accrued expenses						1,516.75
Total						**5,112.17**

19 Other Financial Liabilities

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Interest accrued but not due on loans	2.99	4.26
Trade deposits received	31.70	32.33
Unpaid dividend	215.14	4.07
(Not due for transfer to Investor Education and Protection Fund)		
Payables against capital goods	61.09	80.91
Hedge liability (Net)	-	5.38
	310.92	**126.95**

Notes to the Financial Statements (Contd.)

20 Other Current Liabilities

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Statutory dues	174.49	164.78
Employee related	211.37	157.37
Advance received from customers	364.95	198.85
Deferred income	3.50	5.63
	754.31	**526.63**

21 Revenue From Operations

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Revenue from Contract with Customers:		
i. Sale of products	35,618.32	31,449.57
ii. Sale of services	74.38	52.92
Other operating revenue#	558.62	273.88
	36,251.32	**31,776.37**

#Includes Government Grants of ₹ 488.48 crores (Last year ₹ 237.02 crores)

22 Other Income

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Dividend income from:		
(i) Subsidiaries	100.27	1.96
(ii) Other investments designated as Fair Value through OCI	-	0.65
Interest income	19.87	18.88
Profit on sale of investments - (Net)	1.15	145.39
Profit on sale of property, plant and equipment (Net)	8.42	2.63
(Loss)/Gain on valuation of investments Fair Valued through profit and loss (Net)	(78.27)	(26.93)
Other non-operating income	6.57	5.95
	58.01	**148.53**

Notes to the Financial Statements (Contd.)

23 Material Cost

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Cost of materials consumed :		
Opening stock of raw materials and components	650.11	655.57
Add: Purchases	25,621.21	23,238.70
	26,271.32	**23,894.27**
Less: Closing stock of raw materials and components	728.97	650.11
	25,542.35	**23,244.16**
Purchases of stock-in-trade :		
Spare parts	223.16	211.35
Engine oil	183.57	178.02
	406.73	**389.37**
Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Opening stock:		
Work-in-progress	48.89	46.06
Stock-in-trade	104.70	113.86
Finished goods	466.13	255.24
(A)	**619.72**	**415.16**
Closing stock:		
Work-in-progress	50.12	48.89
Stock-in-trade	140.19	104.70
Finished goods	617.84	466.13
(B)	**808.15**	**619.72**
(A)-(B)	**(188.43)**	**(204.56)**

24 Employee Benefits Expense

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Salaries, wages and bonus	1,630.70	1,334.59
Employee share-based payment expense	32.81	-
Contribution to provident and other funds	146.39	121.12
Staff welfare expenses	160.36	140.16
	1,970.26	**1,595.87**

25 Finance Costs

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Interest on borrowings	120.60	137.39
Interest on lease liabilities	15.76	44.75
Exchange differences	2.30	(0.51)
	138.66	**181.63**

26 Depreciation and Amortisation Expense

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Depreciation on property, plant and equipment	471.32	442.98
Amortisation on right of use asset	79.70	124.48
Amortisation on intangible assets	193.58	132.89
	744.60	**700.35**

Notes to the Financial Statements (Contd.)

27 Other Expenses

Rupees in crores

Particulars		Year Ended 31-03-2025	Year Ended 31-03-2024
(a)	Consumption of stores, spares and tools	53.75	52.96
(b)	Power and fuel	111.23	102.80
(c)	Repairs - buildings	43.19	35.08
(d)	Repairs - plant and equipment	133.85	81.40
(e)	Insurance	53.04	43.78
(f)	Rates and taxes (excluding taxes on income)	11.46	5.96
(g)	Audit fees[#]	1.34	1.15
(h)	Cost audit fees	0.08	0.08
(i)	Packing and freight charges	556.89	524.74
(j)	Advertisement and publicity	762.03	536.78
(k)	Other marketing expenses	774.24	567.52
(l)	Foreign exchange loss (Net)	3.89	1.35
(m)	Corporate Social Responsibility expenditure*	40.00	30.00
(n)	Contributions to Electoral Trust / Bond	13.00	40.00
(o)	Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹ 10 lakh, whichever is higher)	1,508.38	1,213.82
		4,066.37	**3,237.42**

[#]Refer Note No. 39 for details on Audit fees.

* Refer Note No. 45 for details on Corporate Social Responsibility expenditure.

28 Tax Expense and Reconciliation

Rupees in crores

Particulars		Year Ended 31-03-2025	Year Ended 31-03-2024
(a)	**Tax expense**		
	Current tax:		
	On profits for the year	867.67	702.08
	Adjustments for prior periods	-	-
	(A)	**867.67**	**702.08**
	Deferred tax:		
	Decrease / (increase) in deferred tax assets	(44.40)	(82.78)
	(Decrease) / increase in deferred tax liabilities	94.98	78.36
	(B)	**50.58**	**(4.42)**
	(A + B)	**918.25**	**697.66**
(b)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**		
	Profit before income tax expense	**3,628.79**	**2,780.66**
	Tax expense at 25.168%	913.29	699.84
	Add / (Less) : Tax Impact on		
	- Tax on income chargeable at lower rates	(32.97)	(39.40)
	- Expenses not admissible for deduction	37.93	37.06
	- Others	-	0.17
	Tax expense	**918.25**	**697.66**

Notes to the Financial Statements (Contd.)

29 Fair Value Measurements

Rupees in crores

Particulars	As at 31-03-2025			As at 31-03-2024		
	FVTPL$	FVTOCI*	Amortised cost	FVTPL$	FVTOCI*	Amortised cost
Financial assets						
Investments						
- Equity instruments	233.19	176.68	-	163.19	132.62	-
- Preference shares	50.00	-	-	50.00	-	-
- Other non-current investments	-	37.43	-	-	32.79	-
- Debt Instruments	-	-	28.83	45.00	-	44.77
Trade receivables	-	-	1,280.06	-	-	1,302.14
Derivative financial asset	-	15.73	-	-	-	-
Cash and cash equivalents	-	-	293.56	-	-	485.83
Other bank balances - Bank deposit	-	-	2.20	-	-	2.20
Earmarked balances with banks	-	-	264.66	-	-	45.02
Other financial assets	-	-	107.73	-	-	106.66
	283.19	**229.84**	**1,977.04**	**258.19**	**165.41**	**1,986.62**
Financial liabilities						
Borrowings	-	-	1,734.94	-	-	1,513.44
Trade payables	-	-	6,153.66	-	-	5,112.17
Lease liability	-	-	301.02	-	-	450.18
Derivative financial liability	-	-	-	-	5.38	-
Other financial liability	-	-	310.92	-	-	121.57
	-	**-**	**8,500.54**	**-**	**5.38**	**7,197.36**

* FVTOCI - Fair Valued Through Other Comprehensive Income $ FVTPL- Fair Value Through Profit or Loss

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values to be disclosed in the financial instruments that are recognised and measured at fair value and that are measured at amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Rupees in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL	3A & 3B	233.19	-	50.00	283.19
Financial investments at FVTOCI	3A	1.20	37.43	175.48	214.11
Derivatives	10	-	15.73	-	15.73
		234.39	**53.16**	**225.48**	**513.03**
Financial liabilities					
Derivatives	19	-	-	-	-
		-	**-**	**-**	**-**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Rupees in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Debt instruments	3A	-	-	28.83	28.83
		-	**-**	**28.83**	**28.83**
Financial liabilities					
Borrowings	14 & 17	-	-	1,734.94	1,734.94
		-	**-**	**1,734.94**	**1,734.94**

Notes to the Financial Statements (Contd.)

Financial assets and liabilities measured at fair value - recurring fair value measurements

Rupees in crores

As at 31-03-2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	3A & 3B	163.19	-	95.00	258.19
Financial Investments at FVTOCI	3A	1.33	32.79	131.29	165.41
		164.52	**32.79**	**226.29**	**423.60**
Financial liabilities					
Derivatives	19	-	5.38	-	5.38
		-	**5.38**	**-**	**5.38**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Rupees in crores

As at 31-03-2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Debt instruments	3A	-	-	44.77	44.77
				44.77	**44.77**
Financial liabilities					
Borrowings	14 & 17	-	-	1,513.44	1,513.44
		-	**-**	**1,513.44**	**1,513.44**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

The company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

During the reporting period, there are no transfers among the three levels.

(ii) Valuation technique used to determine fair value (Level 2)

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Notes to the Financial Statements (Contd.)

(iii) Fair value measurements using significant unobservable inputs (Level 3)

Rupees in crores

Particulars	Unlisted Equity Shares	Unlisted Preference Shares	Debt Instruments	Total
As at 01-04-2023	316.66	50.00	45.00	411.66
Additions / (Deletions)	0.50	-	-	0.50
Reclassified from Level 3 to Level 1	(191.92)	-	-	(191.92)
Gains/(losses) recognised in other comprehensive income	6.05	-	-	6.05
As at 31-03-2024	131.29	50.00	45.00	226.29
Additions / (Deletions)	25.41	-	(45.00)	(19.59)
Gains/(losses) recognised in other comprehensive income	18.78	-	-	18.78
As at 31-03-2025	**175.48**	**50.00**	**-**	**225.48**

(iv) Valuation inputs and relationships to fair value

Rupees in crores

Particulars	Fair value as at		Significant unobservable input		Probability weighted range for the year ended		Sensitivity
	31-03-2025	31-03-2024			31-03-2025	31-03-2024	
Preference Share	50.00	50.00	a)	Earnings growth rate	1-3%	1-3%	Not significant
			b)	Risk adjusted discount rate	8%	8%	
Debt Instrument	-	45.00	a)	Earnings growth rate	1-3%	1-3%	Not significant
			b)	Risk adjusted discount rate	8%	8%	
Unquoted Equity shares	175.48	131.29	a)	Earnings growth rate	1-3%	1-3%	Not significant
			b)	Risk adjusted discount rate	8%	8%	

(v) Valuation processes

Discount rates are determined using a capital asset pricing model to calculate a pretax rate that reflects current market assessments of the time value of money and the risk specific to the asset. Earnings growth factor of preference shares are based on cash flow projections of future earnings of the Company and unlisted equity securities are estimated based on market information for similar type of companies. Risk adjustments have been derived based on the market risk premium adjusted for companies relevant financial data.

(vi) Fair value of financial assets and liabilities measured at amortised cost

Rupees in crores

Particulars	31-03-2025		31-03-2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments:				
Preference shares	-	-	-	-
Debt instruments	28.83	28.83	44.77	44.77
	28.83	**28.83**	**44.77**	**44.77**
Financial liabilities				
Borrowings	1,734.94	1,734.94	1,513.44	1,513.44
	1,734.94	**1,734.94**	**1,513.44**	**1,513.44**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for preference shares and other debt instruments are calculated based on cash flows discounted using effective interest rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a effective interest rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Financial Statements (Contd.)

30 Financial Risk Management

The Company's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Credit risk	Cash, Cash equivalents and Trade receivables	Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forward-looking information (more specifically described below). In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days, when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
	a. Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
	b. Domestic Trade Receivables	Domestic sales to the Dealers are based on advance payments received through banking channels or through inventory funding facilities availed by them from the banks. The Company extends limited credit to the dealers and such extension of credit is based on dealers' credit worthiness, ability to repay and past track record. The Company has extensive reporting and review system to constantly monitor the outstandings.
	c. Export Trade Receivables	The Company's export business is mostly based on Letters of credit. Export receivables are also covered through Insurance with ECGC Limited.
Liquidity risk	INR denominated borrowings [other than soft loans given by Govt. Authorities]	The company's liquidity management policy involves projecting cash flows in major currencies by considering the level of liquid assets necessary to meet the same, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Company works out a detailed annual operating plans to assess the fund requirements - both short term and long term. Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. Company has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. For long term fund requirements, Company targets various options such as rupee term loan, external commercial borrowing, debentures etc. The Company obtains a credit rating for the various borrowing facilities on annual basis. Company constantly monitors the free cash flow from operations to ensure that the borrowing is minimized.
Market risk	(i) Foreign exchange	The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has a forex management policy which is duly approved by the Board. The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecasted transactions.
	a. Export trade receivables and Import payables	The company has a forex management policy duly approved by the Board. The Company's policy is to hedge most of its net currency exposure. Company reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.
	b. Foreign currency denominated borrowings	The Company has hedged its borrowings by covering the principal repayments.
	(ii) Interest rate - Foreign currency denominated borrowings	The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the Financial Statements (Contd.)

(A) Credit risk

Basis of recognition of expected credit loss provision

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

As at 31-03-2025

a) Expected credit loss for investments, loans and other financial assets

Rupees in crores

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	28.83	0%	-	28.83
	1	Other financial assets	107.73	0%	-	107.73

b) Expected credit loss for trade receivables under simplified approach

Rupees in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,061.35	248.31	1,309.66
Expected loss rate	0.10%	11%	-
Expected credit losses	1.09	28.51	29.60
Carrying amount of trade receivables	1,060.26	219.80	1,280.06

As at 31-03-2024

a) Expected credit loss for investments, loans and other financial assets

Rupees in crores

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	44.77	0%	-	44.77
	1	Other financial assets	106.66	0%	-	106.66

Notes to the Financial Statements (Contd.)

b) Expected credit loss for trade receivables under simplified approach

Rupees in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,009.64	320.63	1,330.27
Expected loss rate	-	9%	-
Expected credit losses	-	28.13	28.13
Carrying amount of trade receivables	1,009.64	292.50	1,302.14

Reconciliation of loss allowance provision - Trade receivables

Rupees in crores

Loss allowance on 01-04-2023	26.93
Changes in loss allowance	1.20
Loss allowance on 31-03-2024	28.13
Changes in loss allowance	1.47
Loss allowance on 31-03-2025	29.60

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	1,952.03	1,920.54
- Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

As at 31-03-2025

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	193.20	194.14	513.09	838.59	-	1,739.02
Lease liabilities	28.31	29.91	50.17	205.84	26.95	341.18
Trade payables	6,153.66	-	-	-	-	6,153.66
Other financial liabilities	310.92	-	-	-	-	310.92

As at 31-03-2024

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	96.55	143.33	286.65	983.36	5.23	1,515.12
Lease liabilities	35.35	34.68	67.08	363.92	27.60	528.63
Trade payables	5,112.17	-	-	-	-	5,112.17
Other financial liabilities	126.95	-	-	-	-	126.95

The amounts disclosed in the above table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Financial Statements (Contd.)

(C) Market risk

i) Foreign exchange risk

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	As at 31-03-2025		As at 31-03-2024	
Exposure in foreign currency	USD	EUR	USD	EUR
Financial assets:				
Trade receivables	711.31	40.45	888.20	87.45
Investments	37.43	-	32.79	-
Derivative assets				
Foreign exchange forward contracts				
Sell foreign currency	(711.31)	(40.45)	(888.20)	(87.45)
Financial liabilities:				
Foreign currency loan	-	-	-	-
Trade payables	159.42	8.70	108.88	15.22
Derivative liabilities				
Foreign exchange forward contracts				
Buy foreign currency	-	-	-	-
Principal swap				
Buy foreign currency	-	-	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	As at 31-03-2025	As at 31-03-2024	As at 31-03-2025	As at 31-03-2024
USD sensitivity				
INR/USD increases by 10%	41.22	58.38	(50.34)	(64.08)
INR/USD decreases by 10%	(41.22)	(58.38)	50.34	64.08
EURO sensitivity				
INR/EURO increases by 10%	2.38	5.41	(3.03)	(6.55)
INR/EURO decreases by 10%	(2.38)	(5.41)	3.03	6.55

* Holding all other variables constant

ii) Interest rate risk

For short term borrowings, interest rates are based on central bank approved benchmark rates plus margin. Whenever the Company resorts to short term borrowings through Commercial Paper, the rate of interest is fixed in advance. In respect of long term foreign currency borrowings, the interest rates are covered through interest rate swaps (IRS)

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Variable rate borrowings	1,538.14	1,012.53
Fixed rate borrowings	200.88	502.59

The Amount disclosed in the table are the contractual undiscounted cash flows.

Rupees in crores

	Impact on profit after tax	
Sensitivity	As at 31-03-2025	As at 31-03-2024
Increase in interest rates by 100 bps	(11.49)	(7.58)
Decrease in interest rates by 100 bps	11.49	7.58

Notes to the Financial Statements (Contd.)

iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk from investments in equity securities, the Company diversifies its portfolio. The impact of the changes in price risk is not material.

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at 31-03-2025

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument since inception of hedge	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
Foreign exchange forward contracts	751.76	-	15.73	-	Apr'25 to Dec'25	15.73	(15.73)

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument since inception of hedge	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
Foreign exchange forward contract	975.65	-	-	5.38	Apr'24 to Dec'24	5.38	(5.38)

ii) Disclosure of effects of hedge accounting on financial performance :

for the year ended 31-03-2025:

Rupees in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange risk/ POS/ IRS	3.89	-	(3.77)	Revenue and Borrowing cost

for the year ended 31-03-2024:

Rupees in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange risk/ POS/ IRS	(3.77)	-	1.35	Revenue and Borrowing cost

Notes to the Financial Statements (Contd.)

31 Capital Management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard our ability to continue as a going concern, so that we can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet). The company's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Net debt	1,441.38	1,027.61
Total equity	9,936.65	7,731.04
Net debt to equity ratio (times)	**0.1**	**0.1**

The company also monitors Interest coverage ratio :

Company's earnings before interest, taxes and exceptional items (EBIT) divided by Interest

The Company's strategy is to maintain an optimum interest coverage ratio.

The Interest coverage ratio were as follows:

Rupees in crores

Particulars	Year ended 31-03-2025	Year ended 31-03-2024
EBIT	3,767.45	2,962.29
Interest	122.90	136.88
Interest coverage ratio (times)	**30.7**	**21.6**

(b) Dividends

Rupees in crores

Particulars		Year ended 31-03-2025	Year ended 31-03-2024
(i)	Equity shares		
	Interim dividend for the year ended 31-03-2025 of ₹10.00 (31-03-2024 of ₹ 8.00) per fully paid share	475.09	380.07
(ii)	Dividends not recognised at the end of the reporting period	-	-

32 Key Financial Ratios

Sl. No.	Particulars	As at 31-03-2025	As at 31-03-2024	Variance
1	Current ratios (times) [Current Assets / Current Liabilities]	0.6	0.6	0.0%
2	Net Debt / Equity Ratio (times) [(Total borrowing - Cash) / Equity]	0.1	0.1	0.0%
3	Debt Service Coverage Ratio (times) [Earnings before Interest, Tax and Exceptional Items / (Interest Expense + Principal repayments of long term loan made during the period excluding prepayment)] - Note 1	5.4	2.5	112.5%
4	Return on Equity (%) [Net Profit after tax/Average shareholders equity]	30.7%	30.2%	1.5%

Notes to the Financial Statements (Contd.)

Sl. No.	Particulars	As at 31-03-2025	As at 31-03-2024	Variance
5	Inventory Turnover Ratio (times) [Annualised Cost of goods sold / Average Inventory]	16.6	18.0	7.4%
6	Debtors Turnover ratio (times) [Annualised Turnover / Average Debtors]	28.1	27.9	(0.8%)
7	Trade Payable turnover ratio (times) [(Cost of Goods sold + Other expenses) /Average Trade payable]	5.3	5.8	8.1%
8	Net Capital Turnover ratio (times) [Net Sales /(Current Asset - Current Liabilities excluding current maturities of long term borrowing)]	NA	NA	NA
9	Net Profit ratio (%) [Profit after tax / Turnover]	7.5%	6.6%	14.1%
10	Return on Capital Employed (%) [Earnings before Interest, Tax and Exceptional Items / Capital Employed]	31.6%	31.4%	0.5%
11	Return on Investment (%) [Income generated from invested funds/Average invested funds.] - Note 2	NA	NA	NA

1. Reflects improvement in operational performance during the financial year.
2. Significant investments held by the Company is for strategic purposes. Benchmarking the return on annual basis will not reflect yield from such investments.

33 Empoloyee Benefit Obligations

Defined benefit plans as per actuarial valuation

Rupees in crores

	Funded Plan		Unfunded Plans	
	Gratuity		Pension	
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at 01-04-2023	**186.26**	**(193.68)**	**(7.42)**	**142.83**
Current service cost	36.01	-	36.01	-
Interest expense/(income)	14.52	(13.78)	0.74	10.85
Total amount recognised in profit or loss	**50.53**	**(13.78)**	**36.75**	**10.85**
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	6.10	6.10	-
(Gain)/loss from change in financial assumptions	4.28	-	4.28	0.92
Experience (gains)/losses	(7.03)	-	(7.03)	16.21
Total amount recognised in other comprehensive income	**(2.75)**	**6.10**	**3.35**	**17.13**
Employer contributions	-	(37.45)	(37.45)	-
Benefit payments	(12.89)	12.89	-	(4.72)
As at 31-03-2024	**221.15**	**(225.92)**	**(4.77)**	**166.09**
Current service cost	44.96	-	44.96	-
Interest expense/(income)	16.01	(15.17)	0.84	11.91
Total amount recognised in profit or loss	**60.97**	**(15.17)**	**45.80**	**11.91**
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	(5.75)	(5.75)	-
(Gain)/loss from change in financial assumptions	6.38	-	6.38	10.72
Experience (gains)/losses	(18.18)	-	(18.18)	0.43
Total amount recognised in other comprehensive income	**(11.80)**	**(5.75)**	**(17.55)**	**11.15**
Employer contributions	-	(29.39)	(29.39)	-
Benefit payments	(21.58)	21.58	-	(6.62)
As at 31-03-2025	**248.74**	**(254.65)**	**(5.91)**	**182.53**

Notes to the Financial Statements (Contd.)

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Statement of Profit and Loss.

The defined benefit obligations maturing after year ended March 31, 2025 are as follows

Rupees in crores

Year ending March 31,	Defined Benefit Obligations
2026	26.95
2027	16.18
2028	18.03
2029	19.91
2030	17.75
2031-2035	95.21

The significant actuarial assumptions were as follows:

Particulars	As at 31-03-2025	As at 31-03-2024
Discount rate (Gratuity)	6.67%	7.0%
Discount rate (Pension)	6.34%	7.0%
Salary growth rate	5.5%	5.5%
Pre-retirment Mortality rate	IALM (2006-08) Ultimate	
Post retirment Mortality rate	LIC Ann (1996-98)	
Attrition rate (For Gratuity)	3.0%	3.0%
Attrition rate (For Pension)	0.0%	0.0%

Assumptions regarding future mortality for pension are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 58.

(i) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation - Gratuity					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended 31-03-2025	Year ended 31-03-2024	Year ended 31-03-2025	Year ended 31-03-2024	Year ended 31-03-2025	Year ended 31-03-2024
Discount rate	0.50%	0.50%	238.05	211.96	260.26	231.03
Salary growth rate	0.50%	0.50%	260.33	231.13	237.89	211.79
Mortality	5.00%	5.00%	248.77	221.18	248.70	221.10

	Impact on defined benefit obligation - Pension					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended 31-03-2025	Year ended 31-03-2024	Year ended 31-03-2025	Year ended 31-03-2024	Year ended 31-03-2025	Year ended 31-03-2024
Discount rate	1.00%	1.00%	165.91	150.75	202.14	184.21
Salary growth rate	1.00%	1.00%	203.13	185.21	164.89	149.74
Mortality	5.00%	5.00%	180.82	164.70	184.32	167.55

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to the Financial Statements (Contd.)

(ii) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Changes in bond: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yield increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

(iii) Defined contribution plans

The Company's contribution to defined contribution plan i.e., provident fund of ₹ 57.51 crores (previous year ₹ 44.73 crores) has been recognised in the Statement of Profit and Loss.

34 TVS Motor Company Employee Stock Option Plan

The Company introduced TVS Motor Company Employee Stock Option Plan to provide equity-based incentives to the eligible employees of the Company. The plan is administered by the Nomination and Remuneration Committee of the Company through a Trust.

A maximum of 11,87,717 options may be granted under the Plan. Each option granted under the plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee (NRC).

As per the plan, NRC grants options to the employees of the Company. The vesting period of the option is one to ten years from the date of grant. Options granted under the Scheme can be exercised within a period of four years from the date of vesting.

Accordingly, NRC granted 3,51,000 options under the Plan and the Trust acquired shares from secondary market for the purpose of implementation of the Plan.

The movement in options are as below:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Outstanding at the beginning of the year	-	-
Options granted during the year	3,51,000	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
Outstanding at the end of the year	3,51,000	-
Options exercisable at the end of the year	-	-

Fair value measurement:

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The key inputs used in Black-Scholes Model for calculating fair value of options under the scheme as on the date of grant are as follows:

The weighted average remaining contractual life of the options outstanding as of 31st March 2025 was 4 months.

Notes to the Financial Statements (Contd.)

The fair value of the options is estimated on the date of grant using the Black-Scholes Model with the following assumptions:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
No of options granted	3,51,000	-
Dividend yield (%)	0.39%	-
Volatility rate (%)	24.66%	
Risk free rate	7.04%	-
Expected life of options (years)	1.12	-
Weighted average fair value of options per share (₹)	1263.66	-
Weighted average share price (₹)	**1858.95**	**-**

35 Related Party Disclosure

(a) (i) Related parties and their relationship where control exists

Holding company:

TVS Holdings Limited, Chennai

Subsidiaries:

Sundaram Auto Components Limited, Chennai
TVS Motor Services Limited, Chennai
TVS Credit Services Limited, Chennai
TVS Digital Limited, Chennai (formerly known as TVS Housing Limited) (upto 15.09.2024)
TVS Electric Mobility Ltd, Chennai
DriveX Mobility Private Limited, Coimbatore (w.e.f 23.12.2024)
Harita ARC Services Private Limited, Chennai
Harita Two Wheeler Mall Private Limited, Chennai
TVS Housing Finance Private Limited, Chennai
TVS Motor (Singapore) Pte. Limited, Singapore (TVSM Singapore)
PT TVS Motor Company Indonesia, Jakarta
TVS Motor Company (Europe) B.V., Amsterdam
TVS Motor Company DMCC, Dubai (w.e.f 27.06.2024)
The GO Corporation, Switzerland (GO AG)
Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)
The Norton Motorcycle Co Limited, UK
TVS Digital Pte Ltd, Singapore
EBCO Limited, UK
Celerity Motor GmbH, Germany
EGO Movement Stuttgart, GmbH, Germany
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich
Colag E-Mobility GmBH, Germany, Nuremberg
Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland
Swiss E-mobility Group (österreich) Gmbh, Austria

Associate company:

Ultraviolette Automotive Private Limited, Bengaluru
Indian Foundation for Quality Management, Bengaluru [Upto 10.03.2025]
DriveX Mobility Private Limited, Coimbatore (Upto 22.12.2024)

(ii) Other related parties and their relationship where transaction exists

Fellow Subsidiaries

TVS Emerald Limited (Formerly known as Emerald Haven Realty Ltd), Chennai (name change w.e.f 27.09.2024) - (Upto 31.12.2024)
Emerald Haven Development Limited, Chennai - (Upto 31.12.2024)
TVS Digital Limited, Chennai (formerly known as TVS Housing Limited) (wef 16.09.2024)

Notes to the Financial Statements (Contd.)

Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:

Predictronics Corp, USA

TVS Training & Services Limited, Chennai

TVS Motor (Singapore) Pte. Ltd, Italy Branch

TVS Motor (Singapore) Pte. Ltd, Philippines Branch

TVS Motor (Singapore) Pte. Ltd, Australia Branch

(iii) Enterprises under Common control

Sundaram - Clayton Limited, Chennai (formerly known as Sundaram - Clayton DCD Limited

TVS Emerald Limited (Formerly known as Emerald Haven Realty Ltd), Chennai (name change w.e.f 27.09.2024) - (Enterprises in which one of the promoter group holding control w.e.f 01.01.2025)

Emerald Haven Development Limited, Chennai - (Subsidiary of TVS Emerald Limited)

(iv) Enterprises in which directors are interested

Dua Associates (upto 13.07.2024)

Dua Consulting Private Limited (upto 13.07.2024)

McCann-Erickson (India) Private Limited (upto 13.07.2024)

Trichur Sundaram Santhanam & Family Private Limited

T.V Sundram Iyengar & Sons Private Limited

TVS Organics Private Limited

TVS Automobile Solutions Private Limited

TVS Cheema Scholarship Foundation

Veeyes Charities Foundation

Key Management personnel

Executive Directors:

Mr. Venu Srinivasan, Chairman Emeritus & Managing Director

Mr. Sudarshan Venu, Managing Director

Mr. K N Radhakrishnan, Director & Chief Executive Officer

Non-executive Directors:

Independent Directors:

Mr. Shailesh Haribhakti

Dr. Deepali Pant Joshi

Mr. Vijay Sankar

Mr. B Sriram

Mr. C R Dua (Upto 13.07.2024)

Mr. H K Singh (Upto 13.07.2024)

Mr. Kuok Meng Xiong (Upto 06.08.2024)

Non-Independent Directors:

Prof Sir Ralf Dieter Speth

Dr. Lakshmi Venu (Upto 06.08.2024)

Chief Financial Officer

Mr. K Gopala Desikan

Company Secretary

Mr. K S Srinivasan

Post Employment benefit plans:

TVS Motor Company Employees' Gratuity Fund

TVS Motor Company Employees' Provident Fund

Others:

Srinivasan Services Trust

TVSM Employees Stock Option Trust

Notes to the Financial Statements (Contd.)

(b) Transactions with related parties: (Transactions from the date of becoming/ upto the date of ceasing to be related party)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(i)	**Purchase of goods (Including sales reversal)**		
	- Holding company (TVS Holdings Limited, Chennai)	-	126.75
	- Subsidiary companies		
	Sundaram Auto Components Limited, Chennai	481.80	398.38
	PT.TVS Motor Company Indonesia, Jakarta	0.54	0.09
	Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich	-	0.13
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	426.83	255.24
	- Enterprises in which directors are interested		
	TVS Organics Private Limited	0.90	0.69
(ii)	**Sale of goods**		
	- Holding company (TVS Holdings Limited, Chennai)	113.76	471.96
	- Subsidiary companies		
	PT.TVS Motor Company Indonesia, Jakarta	301.77	354.27
	The Norton Motorcycle Co. Ltd, UK	3.03	0.72
	Celerity Motor GmbH, Germany	0.02	0.06
	DriveX Mobility Private Limited, Coimbatore	0.07	-
	- Associate Companies		
	DriveX Mobility Private Limited, Coimbatore	0.21	0.06
	- Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:		
	TVS Motor (Singapore) Pte. Ltd, Italy Branch	14.23	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.60	-
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	20.49	9.60
(iii)	**Purchase of assets**		
	- Holding company (TVS Holdings Limited, Chennai)	7.42	39.00
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	108.00	-
	- Enterprises in which directors are interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	1.87	-
	- Key Management personnel	18.71	-
(iv)	**Sale of assets**		
	- Subsidiary companies		
	Sundaram Auto Components Limited, Chennai	-	0.02
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	-	0.29
	- Enterprises in which directors are interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.35	-
(v)	**Rendering of services**		
	- Holding company (TVS Holdings Limited, Chennai)	-	0.45
	- Subsidiary companies		
	Sundaram Auto Components Limited, Chennai	0.11	0.11
	PT. TVS Motor Company Indonesia, Jakarta	0.55	0.55
	TVS Credit Services Limited, Chennai	2.46	5.43
	The Norton Motorcycle Co. Ltd, UK	22.53	8.58
	- Fellow Subsidiary companies		
	TVS Emerald Limited	-	1.05
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	1.79	1.34

Notes to the Financial Statements (Contd.)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(vi)	**Availing of services (includes sub-contract charges paid)**		
	- Holding company (TVS Holdings Limited, Chennai)	141.72	118.03
	- Subsidiary company		
	Sundaram Auto Components Limited, Chennai	0.99	2.84
	TVS Credit Services Limited, Chennai	8.81	6.10
	TVS Digital Pte Limited, Singapore	1.51	0.34
	TVS Digital Limited (Subsidiary upto 15.09.2024)	4.91	-
	Celerity Motor GmbH, Germany	16.95	-
	- Fellow Subsidiary companies		
	TVS Digital Limited (w.e.f 16.09.2024)	12.53	-
	- Associate / joint venture of holding / subsidiary / fellow subsidiary company		
	TVS Training & Services Limited, Chennai	0.01	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.01	-
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	3.91	3.35
	- Enterprises in which directors are interested		
	Dua Associates, Delhi (Upto 13.07.2024)	0.06	0.35
	Dua Consulting Private Limited, Delhi (Upto 13.07.2024)	1.12	4.57
	McCann-Erickson (India) Private Limited, Delhi (Upto 13.07.2024)	0.90	3.59
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.16	0.65
	TVS Automobile Solutions Private Limited	0.17	-
(vii)	**Investments made/(Redemption) during the year**		
	- Subsidiary companies		
	TVS Motor (Singapore) Pte. Limited, Singapore	1,497.24	1,231.34
	TVS Motor Services Limited, Chennai	-	-
	TVS Credit Services Limited, Chennai	282.67	100.00
	Sundaram Auto Components Limited, Chennai (Reduction of Share Capital)	-	(310.00)
	TVS Motor Company DMCC, Dubai	210.78	-
	TVS Digital Limited	-	3.00
	DriveX Mobility Private Limited, Coimbatore	40.79	-
	- Fellow Subsidiary companies		
	TVS Digital Limited (w.e.f 16.09.2024)	(3.05)	-
	- Associate / Joint venture		
	Indian Foundation for Quality Management, Bengaluru	-	25.00
(viii)	**Share application money pending allotment**		
	- Subsidiary companies		
	TVS Motor (Singapore) Pte Limited, Singapore	-	121.19
(ix)	**Remuneration to key managerial personnel**		
	Short-term employee benefits	75.60	64.74
	Post-employment benefits	0.54	0.65
	(ESOPs granted to KMPs have not been considered as remuneration for the current year as defined under section 2(78) of the Companies Act, 2013 as the options have not been excercised)		
(x)	**Obligation arising out of agreements facilitating credit / payment to service provider**		
	- Subsidiary companies		
	TVS Motor (Singapore) Pte. Limited, Singapore	-	83.41
(xi)	**Contributions to post employment benefit plans**		
	TVS Motor Company Employees' Gratuity Fund	30.37	38.51
	TVS Motor Company Employees' Provident Fund	142.75	114.30
	(Including Employee and Employer Contributions)		

Notes to the Financial Statements (Contd.)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(xii)	**Loans and Advances**		
-	Issue / (Redemption) of Non convertible zero coupon debentures		
-	Subsidiary Company		
	Sundaram Auto Components Limited, Chennai	-	(310.00)
(xiii)	**Dividend received from**		
-	Subsidiary Company		
	Sundaram Auto Components Limited, Chennai	100.27	1.96
(xiv)	**Dividend paid to**		
-	Holding company (TVS Holdings Limited, Chennai)	238.78	191.03
(xv)	**Donations Made**		
-	Enterprises in which directors are interested		
	TVS Cheema Scholarship Foundation	39.98	-
	Veeyes Charities Foundation	7.00	8.30
(xvi)	**Others**		
	Srinivasan Services Trust - CSR contribution	40.00	30.00
	TVSM Employees Stock Option Trust - Purchase of Shares	95.27	-

(c) Balances with related parties:

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(i)	**Trade receivables / Other current assets**		
-	Holding company (TVS Holdings Limited, Chennai)	-	74.23
-	Subsidiary companies		
	Sundaram Auto Components Limited, Chennai	0.06	0.75
	PT. TVS Motor Company Indonesia, Jakarta	300.78	412.13
	TVS Credit Services Limited, Chennai	8.68	8.17
	The Norton Motorcycle Co. Ltd, UK	32.31	18.99
	TVS Digital Pte Limited, Singapore	8.06	8.03
	Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)	4.82	0.98
	Celerity Motor GmbH, Germany	-	0.06
-	Associates		
	Ultraviolette Automotive Private Limited, Bengaluru	0.02	0.02
-	Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:		
	TVS Motor (Singapore) Pte. Ltd, Italy Branch	4.61	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.59	-
-	Fellow Subsidiary companies		
	TVS Digital Limited (w.e.f 16.09.2024)	1.00	-
-	Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	1.65	0.93
	Emerald Haven Development Limited, Chennai	0.16	0.09
	TVS Emerald Limited	14.09	11.96
-	Enterprises in which directors are interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.21	0.52
	TVS Cheema Scholarship Foundation	0.48	-
	McCann-Erickson (India) Private Limited, Delhi	-	0.02

Notes to the Financial Statements (Contd.)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(ii)	**Trade payables**		
-	Holding company (TVS Holdings Limited, Chennai)	2.67	1.25
-	Subsidiary companies		
	Sundaram Auto Components Limited, Chennai	5.08	5.54
	TVS Motor (Singapore) Pte Limited, Singapore	10.69	1.52
	TVS Credit Services Limited, Chennai	5.36	1.81
	PT. TVS Motor Company Indonesia, Jakarta	0.17	0.11
	Celerity Motor GmbH, Germany	0.41	-
	DriveX Mobility Private Limited, Coimbatore	0.02	0.04
-	Associate / joint venture of holding / ultimate holding / subsidiary / fellow subsidiary company		
	Predictronics Corporation, USA	-	0.07
-	Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	1.78	20.98
-	Enterprises in which directors are interested		
	Dua Consulting Private Limited, Delhi (upto 13.07.2024)	-	0.32
	T.V Sundram Iyengar & Sons Private Limited, Madurai	0.03	0.07
	TVS Organics Private Limited	-	0.03
(iii)	**Guarantees issued**	-	83.41

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

36 Earnings Per Share

Rupees in crores

Particulars	As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Profit attributable to ordinary shareholders	2,710.54	2,083.00
Number of equity shares	47,50,87,114	47,50,87,114
Face value of the share (in rupees)	1.00	1.00
Weighted average number of equity shares outstanding during the year	47,50,87,114	47,50,87,114
Basic and diluted earnings per share for continued operations (in rupees)	57.05	43.84
Basic and diluted earnings per share for discontinued operations (in rupees)	-	-
Basic and diluted earnings per share for continued and discontinued operations (in rupees)	57.05	43.84

37 Warranty Provision

Rupees in crores

Particulars	As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Opening balance	88.32	55.11
Add: Provision for the year (net)	150.93	88.32
	239.25	**143.43**
Less: Payments / debits (net)	88.32	55.11
Closing balance	**150.93**	**88.32**

Notes to the Financial Statements (Contd.)

38 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006.

Rupees in crores

Particulars		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment) [Refer note 18]		37.21	34.80
(i)	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

39 Payment to Auditors

Rupees in crores

Particulars	As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Audit fees	0.85	0.85
Tax Audit fees	0.20	0.20
Certification fees	0.10	0.10
Other services	0.19	-
	1.34	**1.15**
Miscellaneous expenses include travel and stay expenses of auditors	-	0.03
	1.34	**1.18**

40 Contingent Liabilities and Commitments not Provided for

Rupees in crores

Particulars			As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(a)	**Claims against the company not acknowledged as debts:**			
	(i)	Central Excise	23.90	23.89
	(ii)	GST	22.12	7.25
	(iii)	Service tax	0.95	0.95
	(iv)	Sales tax	-	2.00
	(v)	Guarantees given to bank/others for credit facility granted to subsidiary Companies	-	83.41
	(vi)	Income tax	39.98	46.85
		The future cash flows on the above items are determinable only on receipt of the decisions / judgments that are pending at various forums / authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.		
(b)	**Other money for which the company is contingently liable:**			
	On bills discounted with banks		330.98	250.99
(c)	**Commitments:**			
	(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	314.55	229.94
	(ii)	On Investments	0.00	1.88

Notes to the Financial Statements (Contd.)

41 Leases

Company as a Lessee

The company has taken land, warehouses and sales offices across the country on lease for lease period ranging from 6-99 years. Company also has other assets on leases, the lease term here ranges from 2-9 Years.

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the year is ₹ 87.84 Cr (Previous year: ₹ 78.46 Cr)

Payment made towards Low value assets during the year is Nil (Previous year: Nil)

Payment relating to leases are disclosed in Cash flow statement

Income from sub-leasing of Right of use asset is ₹ 0.39 Crs (Previous year: Nil)

42A Additional Regulatory Disclosures as Per Schedule iii of Companies Act, 2013

(i) The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(ii) The Company does not have any investment property.

(iii) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

(iv) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

(v) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(vi) The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

(vii) The company has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

(viii) There are no transactions with the companies whose names were struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025

(ix) All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2025

(x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

(xii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (a) 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

  (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

(xiii) 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:

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

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

(xiv) The Company has not operated in any crypto currency or Virtual Currency transactions

(xv) During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

Notes to the Financial Statements (Contd.)

42B Segment Information for the Year Ended 31-03-2025

The Company identified two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial Services based on operations from which significant risks and rewards are derived. Chief Operating Decision Maker (CODM) examines the risks and rewards of the entities' performance in the above two verticals and allocates the resources aligning with the Company's strategy.

The Investments of the Company in TVS Credit Services Limited and TVS Motor Services Limited and other non-strategic companies categorized as Financial Services.

Rupees in crores

Particulars	Business Segment					
	Year ended 31-03-2025			Year ended 31-03-2024		
	Automotive vehicles & parts	Financial Services	Total	Automotive vehicles & parts	Financial Services	Total
Revenue						
External sales - domestic	27,819.21	-	27,819.21	24,346.39	-	24,346.39
- exports	8,432.11	-	8,432.11	7,429.98	-	7,429.98
Other income	118.50	(60.49)	58.01	145.87	2.66	148.53
Inter segment sales	-	-	-	-	-	-
Total revenue	36,369.82	(60.49)	36,309.33	31,922.24	2.66	31,924.90
Segment-wise results before interest and tax	3,827.94	(60.49)	3,767.45	2,959.63	2.66	2,962.29
Less: Interest	138.66	-	138.66	181.63	-	181.63
Profit before tax	3,689.28	(60.49)	3,628.79	2,778.00	2.66	2,780.66
Less: Tax expense	933.56	(15.31)	918.25	696.99	0.67	697.66
Profit after tax	2,755.72	(45.18)	2,710.54	2,081.01	1.99	2,083.00
Segment assets	17,148.47	2,814.42	19,962.89	13,337.20	2,725.04	16,062.24
Segment liabilities	10,026.24	-	10,026.24	8,331.20	-	8,331.20
Segment depreciation / amortisation	744.60	-	744.60	700.35	-	700.35

42C Revenue From Contract With Customers:

Rupees in crores

Particulars		Year Ended 31-03-2025	Year Ended 31-03-2024
(a)	Geographical market		
(i)	Domestic	27,260.59	24,072.51
(ii)	Exports	8,432.11	7,429.98
		35,692.70	**31,502.49**
(b)	Revenue recognized that was inlcuded in the contract liabilities at the beginning of the period. (Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met, the same is recognized as revenue).	265.58	154.70
(c)	Reconciliation of revenue with contract price:		
(i)	Contract price	37,124.81	32,734.60
(ii)	Adjustments :		
	Incentive schemes	829.73	705.62
	Transport cost	602.38	526.49
	Revenue from sale of products/services	**35,692.70**	**31,502.49**

Notes to the Financial Statements (Contd.)

43 Disclosure Made in Terms of Regulation 34(3) of Listing Regulations

Rupees in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2025	Amount outstanding as a 31-03-2024
(a)	Investments by the company				
	(i) In subsidiary companies	**Sundaram Auto Components Limited, Chennai**		108.46	108.46
		[1,19,37,422 (last year-1,19,37,422) Equity shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	108.46		
		During the previous year	108.46		
		TVS Digital Limited, Chennai (Formerly known as TVS Housing Limited)		-	3.05
		Nil (last year - 30,50,000) Equity shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	3.05		
		During the previous year	3.05		
		TVS Motor Services Limited, Chennai		148.68	148.68
		[14,96,33,814 (last year -14,96,33,814) Equity shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	148.68		
		During the previous year	148.68		
		TVS Motor Services Limited, Chennai			
		[5,00,00,000 (last year - 5,00,00,000) Preference shares of ₹ 10/- each fully paid up]		50.00	50.00
		Maximum amount held at any time			
		During the year	50.00		
		During the previous year	50.00		
		TVS Credit Services Limited, Chennai		2,243.65	1,960.99
		[20,23,19,089 (last year - 19,54,24,754) Equity shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	2,243.65		
		During the previous year	1,960.99		
		TVS Credit Services Limited, Chennai		100.00	100.00
		[31,69,773 (last year - 31,69,773) Preference shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	100.00		
		During the previous year	100.00		
		TVS Motor Company (Europe)B.V., Amsterdam		1.80	1.80
		[2,25,301 (last year- 2,25,301) Ordinary shares of Euro 100/- each fully paid up]			
		Maximum amount held at any time			
		During the year	1.80		
		During the previous year	1.80		

Notes to the Financial Statements (Contd.)

Rupees in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2025	Amount outstanding as a 31-03-2024
		TVS Motor (Singapore) Pte. Limited, Singapore		5,195.12	3,697.87*
		[90,76,19,207 (last year 67,16,85,616) Ordinary shares of Singapore $ 1/- each fully paid up]			
		Maximum amount held at any time			
		During the year	5,195.12		
		During the previous year	3,697.87		
		(* - Including share application money pending allotment)			
		PT. TVS Motor Company Indonesia, Jakarta		389.06	389.06
		[85,97,000 (last year - 85,97,000) Equity shares of Indonesian Rp.97,400/- each fully paid up]			
		Maximum amount held at any time			
		During the year	389.06		
		During the previous year	389.06		
		DriveX Mobility Private Limited, Coimbatore#		225.74	87.17
		[20,981 (last year - 9766) Equity shares of ₹10 each fully paid]			
		Maximum amount held at any time			
		During the year	225.74		
		During the previous year	87.17		
		# Ceased to be an associate and become the subsidiary of the company as on 31st March 2025			
		TVSM DMCC		210.78	-
		[92,000 (last year - Nil) Equity shares of AED1000 each fully paid]			
		Maximum amount held at any time			
		During the year	210.78		
		During the previous year	-		
		TVS Electric Mobility Ltd, Chennai		1.00	1.00
		[10,00,000 (last year -10,00,000) Equity shares of ₹10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	1.00		
		During the previous year	1.00		

Notes to the Financial Statements (Contd.)

Rupees in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2025	Amount outstanding as a 31-03-2024
	(ii) in associate companies	**Emerald Haven Realty Limited, Chennai,**		-	-
		Nil (last year - Nil) Equity shares of ₹ 10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	-		
		During the previous year	111.22		
		Ultraviolette Automotive Private Limited, Bengaluru		11.00	11.00
		[14,850 (last year-14,850) Equity shares of ₹ 10/- each fully paid up]			
		Maximum amount held at any time			
		During the year	11.00		
		During the previous year	11.00		
		Ultraviolette Automotive Private Limited, Bengaluru		5.00	5.00
		[990 (last year - 990) Preference shares of ₹ 50,545/- each fully paid up]			
		Maximum amount held at any time			
		During the year	5.00		
		During the previous year	5.00		
		(7387 (last year - 7387) Preference shares of ₹ 40,616/- each fully paid up]		30.00	30.00
		Maximum amount held at any time			
		During the year	30.00		
		During the previous year	30.00		
		[3939 (last year - 3939) Preference shares of ₹1,90,384/- each fully paid up]		75.00	75.00
		Maximum amount held at any time			
		During the year	75.00		
		During the previous year	75.00		
		Tagbox Solutions Private Limited, Bengaluru		-	-
		[Nil (last year - Nil) Equity shares of ₹1 each fully paid]			
		Maximum amount held at any time			
		During the year	-		
		During the previous year	1.19		
		Tagbox Solutions Private Limited, Bengaluru		-	-
		[Nil (last year - Nil) Preference shares of ₹16 each fully paid]			
		Maximum amount held at any time			
		During the year	-		
		During the previous year	9.99		

Notes to the Financial Statements (Contd.)

Rupees in crores

Sl. No.	Particulars	Name of the company		Amount outstanding as at 31-03-2025	Amount outstanding as a 31-03-2024
		Indian Foundation for Quality Management, Bengaluru^		-	25.00
		[Nil (last year - 2,50,00,000) Equity shares of ₹10 each fully paid]			
		Maximum amount held at any time			
		During the year	25.00		
		During the previous year	25.00		
		^Ceased to be associate as on 31st March 2025 and become part of Non current Investments			
(b)	**Investments by the holding company**	**TVS Holdings Limited (formerly Sundaram-Clayton Limited), Chennai**		17.15	17.15
		23,87,82,786 (last year 23,87,82,786) Equity shares of ₹ 1/- each fully paid up			
		Maximum amount held at any time			
		During the year	17.15		
		During the previous year	17.15		

44 Details of Loans given, Investments Made And Guarantees Given

(DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013)

(a) Investments made - Refer Note No.3

(b) Guarantee issued towards credit facility / business purpose - Refer Note No.35b(x)

Notes to the Financial Statements (Contd.)

45 Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility (CSR) activities:

(a) Gross amount required to be spent during the year is ₹ 39.55 crores (Previous Year ₹ 26.39 crores)

(b) Amount spent during the year:

Rupees in crores

Sl. No.	Particulars	In cash	Yet to be paid in cash	Year ended 31-03-2025	Year ended 31-03-2024
1	Construction/acquisition of any asset	-	-	-	-
2	Other than above	-	-	40.00	30.00

Sl. No.	Particulars	Year ended 31-03-2025	Year ended 31-03-2024
1	Amount required to be spent by the Company during the year	39.55	26.39
2	Amount of expenditure incurred	40.00	30.00
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	- NOT APPLICABLE -	
6	Details of related party transactions	40.00	30.00
7	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in position	-	-
	Nature of CSR Activities : Rural development, economic development, Women empowerment, health care, education, environment sustainability, social empowerment, infrastructure development and conservation of natural resources.		

46 Previous Year's Figures have been regrouped wherever necessary to conform to the Current Year's classification.

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Independent Auditors' Report

for the year ended 31st March 2025

To the members of TVS Motor Company Limited

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of TVS Motor Company Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated statement of Profit and Loss,(including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated Ind AS financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015 as amended (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at March 31, 2025, and its consolidated profit, its consolidated total comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements” section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

Key Audit Matter	Principal Audit Procedures
1. Carrying Value of Goodwill Management has obtained a valuation report of the Cash Generating Unit, wherein valuers have arrived at a fair value, based on weighted average of the Discounted Cash Flow Method and Comparable Companies Multiples Method.	Management has obtained a valuation report of the Cash Generating Unit, wherein valuers have arrived at a fair value, based on weighted average of the Discounted Cash Flow Method and Comparable Companies Multiples Method. We gained an understanding of the key assumptions used to forecast the cash flows and the discount rates applied Weighted Average Cost of Capital (WACC) as well as the Comparable Companies considered in arriving at the fair value. We consider that the management conclusions concerning the absence of impairment in the goodwill are adequately supported and consistent with the information currently available.

Key Audit Matter	Principal Audit Procedures
2. Government Grants Government has announced various Grants to manufacturers of automobiles. The company in turn is availing the said grants on fulfilling the conditions attached to that. Recognition of government grants has been considered a key audit matter due to the materiality of the amounts involved and the significant management judgement required in assessing compliance with the conditions for grant eligibility. The management periodically reviews, during the year, compliance of relevant conditions attached to each grant whether there is a reasonable assurance that the grants will be received, in order to determine the timing and amounts of grants to be recognized in the financial statements.	Determined the appropriateness of the accounting policy for government grants as per the relevant accounting standard; Examined the Company's key internal financial controls over recognition of government grants with regard to its design and implementation. Tested the operating effectiveness of such controls for the transactions selected. Verified documents, on sample basis, submitted to the various government authorities relating to the grants received and receivable and checked the compliance of conditions attached to the respective grants. Considered the basis of management's judgement towards fulfilment of conditions attached to the grants and evaluated the reasonable assurance that grants will be received. Reviewed the appropriateness of the disclosures made in accordance with the relevant accounting standards.
3. Investments The Company has significant investments in its subsidiaries and associates. Management reviews regularly whether there are any indicators of impairment of the investments by reference to the requirements under Ind AS 36 "Impairment of Assets". For investments where impairment indicators exist, significant judgments are required to determine the key assumptions used in the valuation model and methodology, such as revenue growth, discount rates, etc. Considering, the impairment assessment which involves significant assumptions and judgement of the management and the same has been considered as key audit matter.	Obtained and read the valuation report used by the management for determining the fair value ('recoverable amount') of its material investments. Considered the independence, competence and objectivity of the management specialist involved in determination of valuation. Tested the fair value of the investment as mentioned in the valuation report to the carrying value in books. Made inquiries with management to understand key drivers of the cash flow forecasts, discount rates, etc. Assessed the disclosures made in the financial statements regarding such investments to comply with the requirements of Standards.
4. Intangible assets under development The Company has various internally generated intangible projects under development. Initial recognition of the development expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalisation. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgment and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognised and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets under development has been considered as a key audit matter.	Our audit procedures included but were not limited to the following: Assessed whether the Company's Internally generated intangible assets- research and development expenditure accounting policy is in compliance with Ind AS 38 “Intangible Assets”. We assessed the design, implementation and operating effectiveness over management process of identifying and capitalising the development expenditure in accordance with the accounting principles of capitalisation of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. We performed test of details of development expenditure capitalised by reviewing the key assumptions including the authorisation of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for projects.
5. Evaluation of Uncertain Direct tax and Indirect Tax positions The Company has material uncertain tax positions including matters under dispute relating to Excise, Customs Duty, Goods and Service Tax (Indirect Taxes) and Income Tax (Direct Tax). These matters involve significant judgment to determine the possible outcome of these disputes	We obtained details of demands relating to Direct Tax and indirect tax, for the year ended 31st March 2025. We considered legal precedence and other rulings, obtained external opinions and discussed with company's internal legal team in evaluating management's position on these uncertain tax positions. We satisfied ourselves that it is not probable that an outflow of economic benefits will be required and disclosed such obligation as a contingent liability

Key Audit Matter	Principal Audit Procedures
6. **Impairment Loss Allowance (as carried in TVS Credit Services Limited ("TVSCS")- Subsidiary)** Management's judgements in the calculation of impairment allowances have significant impact on the financial statements (TVSCS). The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments". Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorisation of the individual asset. The key areas of judgement include: 1. Categorisation of loans in Stage 1, 2 and 3 based on identification of: (a) exposures with significant increase in credit risk since their origination and (b) individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. These judgements required the models to be reassessed including the impact of Covid-19 Pandemic to measure the ECL. Management has made several interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	We obtained an understanding of management's assessment of impairment of loans and advances including the Ind AS109 implementation process, internal rating model, impairment allowance policy and ECL modelling methodology. We assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. We also verified the key judgements and assumptions relating to the macro-economic scenarios including the impact of Covid-19 Pandemic and the associated probability weights. We also assessed the approach of the Company for categorisation of the loans in various stages reflecting the inherent risk in the respective loans. For a sample of financial assets, we tested the correctness of Staging, reasonableness of PD, accuracy of LGD and ECL computation. We have also verified the compliance of circulars issued by Reserve Bank of India from time to time during the year on this subject. As a result of the above audit procedures, no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.

Information other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's Report, Management Discussion and Analysis and Report on Corporate Governance) but does not include the consolidated Ind AS financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated Changes in Equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in

the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risk of material misstatement of consolidated Ind AS 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 of 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 collusions, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated Ind AS financial statements 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 the 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 significantly doubt on the ability of the Group and its associates 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 consolidated Ind AS 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 Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

The consolidated Ind AS financial statement include the audited financial statements of 13 subsidiaries, whose Ind AS financial statement reflect total asset of ₹ 38,978.92 crores as at 31st March 2025 and total revenues of ₹ 7,879.53 Crores, total net loss after tax of ₹ 49.66 Crores and total comprehensive loss of ₹ 51.32 Crores, for the year ended 31st March 2025 and cash flow of ₹ 1,872.21 crores for the period from 1st April 2024 to 31st March 2025. The consolidated audited Ind AS financial statement also include the Group's share of net loss of ₹ 18.88 crores and total comprehensive Loss of ₹ 18.88 crores for the year ended 31st March 2025, as considered in the consolidated audited Ind AS financial Statement, in respect of 1 associate company, whose Ind AS financial statement have not been audited by us. This financial Statement have been audited by other auditor's whose report has been furnished to us by the Management

and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and one associate, is based solely on the report of the other auditors.

The consolidated annual Ind AS financial Statement include the unaudited Ind AS financial Statement of 11 subsidiaries which have not been audited by their auditors and are based solely on management certified accounts, whose Ind AS financial Statement reflect total asset of ₹ 1,256.17 crores as at 31st March 2025 and total revenue of ₹ 110.89 Crores and total net loss after tax of ₹ 391.30 crores and total comprehensive Loss of ₹ 378.85 Crores for the year ended 31st March 2025 and cash flow of ₹ 65.67 crores for the period from 1st April 2024 to 31st March 2025 as considered in the consolidated Ind AS audited financial Statement. The consolidated Ind AS audited financial Statement also include the Group's share of net loss after tax of ₹ 55.25 Crores and total comprehensive Loss of ₹ 55.25 Crores for the year ended 31st March 2025, as considered in the consolidated Ind AS audited financial Statement, in respect of 8 associates based on their financial statement which have not been audited by their auditors and are based solely on management certified accounts.

The financial information of subsidiaries and associates located outside India have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted this financial information from accounting principles generally accepted in their respective countries, to Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent Company's Management. Our opinion in so far as it relates to such subsidiaries and associates located outside India is based on the aforesaid conversion adjustments report prepared by the Parent Company's Management.

This financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion, on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to this associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statement / financial information is not material to the Group.

Our opinion on the consolidated Ind AS 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 and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements, except for the instances detailed below. It is further clarified that clause references reported below relate to factual disclosures required under the Order and do not constitute qualifications or adverse remarks in the CARO reports of the respective auditors:

S. No	Name of the Entity	Relationship	Clause number	Nature of Reporting
1	TVS Credit Services Limited	Subsidiary	(iii)(c) & (iii)(d)	Repayment Schedule and Overdue Loans & Recovery Efforts
2	DriveX Mobility Private Limited	Subsidiary	(xvii)	Cash Losses Incurred

2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Statement of Changes in Equity 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 Ind AS financial statements.

   d. In our opinion, the aforesaid consolidated Ind AS 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 of the Holding Company as on 31st March, 2025, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its associate companies, incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.

   g. (i) The remuneration paid / provided by the group and its associates to the directors during the year is in accordance with the Section 197 read with Schedule V of the Act.

(ii) This clause is not applicable to the overseas subsidiary companies and associate companies incorporated outside India.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (refer note no. 44).

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, and required to be transferred, to the Investor Education Protection Fund by the Group, its associates incorporated in India.

iv. a) The respective Managements of the Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts (refer note no 46 (viii), no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries or associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. This clause is not applicable to company incorporated outside India.

b) The respective Managements of the Company its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts (refer note no 46 (ix) no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries or associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. This clause is not applicable to the companies incorporated outside India.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividends declared and paid during the year by the Group, are in accordance with Section 123 of the Companies Act 2013.

vi. Based on our examination, which included test checks, and that performed by the respective auditors of the group and associates and which are companies incorporated in India whose financial statements have been audited under the Act the Group and associates have used accounting software for maintaining books of account for the financial year ended 31st March 2025 which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of performing the procedures, we, and the respective auditors of such group and its associates, did not notice any instance of the audit trail feature being tampered with.

In our opinion, the Group & its Associates have preserved the audit trail as per the statutory requirements for record retention as specified under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014

The reporting requirement under this clause is not applicable to subsidiary companies and associate companies incorporated outside India.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number: 004207S

S. USHA
Partner
Place: Chennai
Membership No.: 211785
Date: 28th April 2025
UDIN: 25211785BMIWEG1472

Annexure

to the Independent Auditors' Report for the year ended 31st March 2025

To the members of TVS Motor Company Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of TVS Motor Company Ltd ("the Holding Company"), the subsidiary companies and its associate companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 (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 the respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorisation 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 consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 the Holding Company, its subsidiary companies and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 8 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 1 associate companies, which are companies incorporated in India, is based on the management certificate of such companies incorporated in India.

The reporting under section 143(3)(i) of the Act is not applicable to 15 subsidiary companies and 3 associate companies, which are companies incorporated outside India.

Our opinion is not modified in respect of this matter.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration Number: 004207S

S. USHA
Partner
Place: Chennai
Membership No.: 211785
Date: 28th April 2025
UDIN: 25211785BMIWEG1472

Balance Sheet

as at 31st March 2025

Rupees in crores

	Notes	As at 31-03-2025	As at 31-03-2024
ASSETS			
Non-current assets			
Property, plant and equipment	2	5,488.74	4,294.12
Capital work-in-progress	2	663.78	338.01
Investment properties	3	141.38	137.70
Goodwill on consolidation		731.43	597.05
Other intangible assets	2	1,282.90	861.95
Intangible assets under development		801.67	694.94
Financial assets			
i. Investments	4	564.94	482.75
ii. Loans (receivable from financing activity)	5	11,206.99	12,054.55
iii. Other Financial Assets	6	160.24	195.52
Investments accounted using equity method	7	167.13	477.25
Non-current tax assets (Net)		12.55	23.55
Deferred tax assets	8	495.91	394.28
Other non-current assets	9	235.00	148.78
		21,952.66	**20,700.45**
Current assets			
Inventories	10	2,416.58	2,248.40
Financial assets			
i. Trade receivables	11	1,716.75	1,839.42
ii. Investments	4	515.31	163.19
iii. Loans (receivable from financing activity)	5	15,093.48	13,417.26
iv. Cash and cash equivalents	12	4,115.00	2,355.80
v. Bank balances other than (iv) above	13	271.24	69.93
vi. Other financial assets	14	325.96	202.66
Current tax assets (Net)		-	23.89
Other current assets	15	1,529.93	1,199.46
		25,984.25	**21,520.01**
Total assets		**47,936.91**	**42,220.46**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	47.51	47.51
Other equity	17	8,455.87	6,736.00
Equity attributable to owners		**8,503.38**	**6,783.51**
Non-controlling interest		938.89	727.60
		9,442.27	**7,511.11**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	13,932.68	12,629.32
ii. Lease Liabilities		751.83	503.68
Provisions	19	322.57	270.18
Deferred tax liabilities (Net)	20	286.02	196.46
Other non current liabilities		28.00	31.50
		15,321.10	**13,631.14**
Current liabilities			
Financial liabilities			
i. Borrowings	21	13,683.08	12,657.30
ii. Lease Liabilities		241.12	215.40
iii. Trade payables	22		
a. Total outstanding dues of micro and small enterprises		45.51	62.38
b. Total outstanding dues of other than (iii) (a) above		7,515.75	6,575.84
iv. Other financial liabilities	23	400.39	459.58
Provisions	19	218.27	166.64
Current tax liabilities		39.80	34.58
Other current liabilities	24	1,029.62	906.49
		23,173.54	**21,078.21**
Total liabilities		**38,494.64**	**34,709.35**
Total equity and liabilities		**47,936.91**	**42,220.46**
Material accounting policies	1		

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Statement of profit and loss

for the year ended 31st March 2025

Rupees in crores

		Notes	Year Ended 31-03-2025	Year Ended 31-03-2024
I	Revenue from operations	25	44,089.01	38,778.82
II	Other income	26	69.56	105.82
III	**Total Income (I +II)**		**44,158.57**	**38,884.64**
IV	Expenses:			
	Cost of material consumed	27	25,968.44	23,581.90
	Purchase of stock in trade	27	834.62	1,011.69
	Changes in inventories of finished goods, Stock-in -trade and work-in-progress	27	(79.22)	(323.37)
	Employee benefits expense	28	3,580.88	3,297.72
	Finance costs	29	2,093.25	1,916.60
	Depreciation and amortisation expense	30	1,045.56	956.15
	Other expenses	31	7,135.57	5,732.86
	Total expenses		**40,579.10**	**36,173.55**
V	**Profit before exceptional items, share of net profit/(loss) from associates and tax (III - IV)**		**3,579.47**	**2,711.09**
VI	Share of net profit / (loss) from associates using equity method		(74.12)	(43.47)
VII	**Profit before exceptional items and tax (V + VI)**		**3,505.35**	**2,667.62**
VIII	Exceptional items		-	-
IX	**Profit before tax from continuing operations (VII + VIII)**		**3,505.35**	**2,667.62**
X	Tax expense	32		
	i) Current tax		1,190.17	1,006.84
	ii) Deferred tax		(34.72)	(92.80)
	Total Tax expense from continuing operations (i+ii)		**1,155.45**	**914.04**
XI	**Profit for the year from continuing operations (IX - X)**		**2,349.90**	**1,753.58**
XII	**Profit before tax from Discontinued operations**		**22.49**	**35.30**
XIII	Tax expense	32		
	i) Current tax		2.63	5.79
	ii) Deferred tax		(10.05)	4.55
	Total Tax expense from discountiued operations (i+ii)		**(7.42)**	**10.34**
XIV	**Profit for the year from discontinued operations (XII - XIII)**		**29.91**	**24.96**
XV	**Profit for the year (XI + XIV)**		**2,379.81**	**1,778.54**
XVI	(Profit) / Loss attributable to non-controlling Interest		(144.25)	(92.17)
XVII	**Profit for the year attributable to owners (XV + XVI)**		**2,235.56**	**1,686.37**
XVIII	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		(4.35)	(28.42)
	Change in fair value of equity instruments		23.27	0.32
	Share of other comprehensive income of an associate		-	0.01
	Income tax relating to these items		(1.78)	3.93
	B. Items that will be reclassified to profit or loss:			
	Fair value changes on cash flow hedges		(3.29)	(27.47)
	Foreign currency translation adjustments		33.55	(8.08)
	Income tax relating to these items		(0.18)	6.24
	Other comprehensive income for the year, net of tax (XVIII)		**47.22**	**(53.47)**
XIX	Other comprehensive income attributable to non-controlling interest		(2.85)	(5.93)
XX	**Other comprehensive income attributable to owners (XVIII - XIX)**		**50.07**	**(47.54)**
XXI	**Total comprehensive income attributable to owners (XVII +XX)**		**2,285.63**	**1,638.83**
XXII	**Earnings per equity share (Face value of ₹1/- each)**			
	Basic & Diluted earnings per share (in rupees)	42		
	Continuing Operations		46.42	34.97
	Discontinued Operations		0.63	0.53
	Continuing Operations and Discontinued Operations		47.05	35.50
	Material accounting policies	1		

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Statement of Changes in Equity

a Equity Share Capital

Rupees in crores

As at 01-04-2023	**47.51**
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2023	47.51
Changes in equity share capital during the year	-
As at 31-03-2024	**47.51**
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2024	47.51
Changes in equity share capital during the year	-
As at 31-03-2025	**47.51**

b Other Equity

Rupees in crores

Particulars	Reserves & Surplus				Other Reserves					Non Controlling Interest	Total
	General reserve	Capital reserve	Statutory Reserve	Retained earnings	Equity Instruments Fair Valued through Other Comprehensive Income	Foreign currency translation reserve	Hedging reserve	Treasury shares	Share Based Payment Reserve		
Balance as at 31-03-2023	**876.24**	**6.51**	**183.59**	**4,315.42**	**1.95**	**60.25**	**13.53**	**-**	**-**	**404.85**	**5,862.34**
Add : Profit for the year	-	-	-	1,686.37	-	-	-	-	-	92.17	1,778.54
Add : Other comprehensive income for the year (net of tax)	-	-	-	(22.98)	0.19	(6.09)	(18.67)	-	-	(5.92)	(53.47)
Add: Share of OCI from associates, net of tax	-	-	-	0.01	-	-	-	-	-	-	0.01
Less: Issue expense taken to reserve	-	-	-	18.94	-	-	-	-	-	4.45	23.39
Add: Transfer from Retained earnings to Statutory reserve	-	-	114.37	(114.37)	-	-	-	-	-	-	-
Transaction in capacity as owners											
Add : Transactions with non-controlling interest	-	-	-	63.92	(9.11)	(17.97)	1.85	-	-	240.95	279.64
Less : Distribution to shareholders											
Interim dividend	-	-	-	380.07	-	-	-	-	-	-	380.07
Balance as at 31-03-2024	**876.24**	**6.51**	**297.96**	**5,529.36**	**(6.97)**	**36.19**	**(3.29)**	**-**	**-**	**727.60**	**7,463.60**
Add : Profit for the year	-	-	-	2,235.56	-	-	-	-	-	144.25	2,379.81
Add : Other comprehensive income for the year (net of tax)	-	-	-	(1.67)	20.31	33.55	(2.13)	-	-	(2.85)	47.22
Add : Reclassification to statuatory reserve from retained earning	-	-	153.45	(153.45)	-	-	-	-	-	-	-
Add: Recognition of share based payments to employees	-	-	-	-	-	-	-	-	0.27	-	0.27
Less: Treasury shares held by ESOP Trust	-	-	-	-	-	-	-	62.46	-	-	62.46
Transaction in capacity of owners											
Add : Transactions with non-controlling interest	-	-	-	(28.48)	-	-	-	-	-	69.89	41.41
Less : Distribution to shareholders											
Interim dividend	-	-	-	475.09	-	-	-	-	-	-	475.09
Balance as at 31-03-2025	**876.24**	**6.51**	**451.41**	**7,106.23**	**13.34**	**69.74**	**(5.42)**	**(62.46)**	**0.27**	**938.89**	**9,394.76**

Nature and purpose of Other Reserves

1. General reserve is available for distribution to share holders.

2. Capital reserve

		Rupees in crores
i.	On shares forfeited (₹ 55,200)	-
ii.	On surplus arising out of amalgamation	6.51
		6.51

3. Statutory Reserve has been created pursuant to section 45 - IC of the RBI Act,1934. Owners portion of Statutory Reserve created in subsidiary shown above after becoming subsidiary.

4. Hedging Reserve - Refer Note No. 34(D)

   It represents the effective portion of the fair value of forward/option contracts designated as cashflow hedge

5. FVTOCI reserve

   The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income.
   These changes are accumulated within the FVTOCI reserve within equity.

6. Treasury Shares

   The Treasury shares of the parent company are held by the TVSM Employees Stock Option Trust (ESOP Trust) under the TVS Motor Company Employee Stock Option Plan implemented to its eligible employees. The equity shares of the parent company have been acquired and held by ESOP Trust, to be transferred to employees upon the exercise of their stock options.

7. Share Based Payment Reserve

   Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the subsidiary company for its employees.

See the accompanying notes to the financial statements

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Cash Flow Statement

Rupees in crores

		Year ended 31-03-2025		Year ended 31-03-2024	
A.	**Cash flow from operating activities:**				
	Net profit before tax				
	From Continuing Operations		3,505.35		2,667.62
	From Discontinued Operations		22.49		35.30
	Add:				
	Depreciation and amortisation for the year	1,045.56		975.12	
	(Profit) on sale of property, plant and equipment (Net)	(9.15)		(3.38)	
	(Gain) on fair valuation of investments (Net)	78.27		26.93	
	(Gain)/Loss on sale of investments (Net)	(1.02)		(89.47)	
	(Gain)/Loss on sale of Associate	(95.14)		-	
	(Gain) on lease preclosure	(0.07)		(4.75)	
	Unrealised exchange (gain) / loss	9.95		10.82	
	Net (profit)/ loss from associates using equity method	74.12		43.47	
	Dividend income	-		(0.65)	
	Interest income	(27.16)		(22.10)	
	Finance cost [excluding relatable to financial enterprise]	229.93		274.08	
	Share based payment expense	33.08		-	
	Provisions	99.67		61.40	
			1,438.04		1,271.47
	Operating profit before working capital changes		**4,965.88**		**3,974.39**
	Adjustments for:				
	Loans given by a financial enterprise (Net)	(828.66)		(4,925.23)	
	Trade receivables	110.50		(590.00)	
	Inventories	(168.18)		(326.89)	
	Other current assets	(330.64)		104.88	
	Other financial assets	(324.92)		15.54	
	Trade payables	923.94		1,537.73	
	Other financial liabilities	140.69		49.00	
	Other current liabilities	125.43		36.88	
	Other non - current assets	35.53		(169.55)	
			(316.31)		(4,267.64)
	Cash generated from operations		4,649.57		(293.25)
	Direct taxes paid		(1,146.65)		(959.42)
	Net cash from operating activities	(A)	**3,502.92**		**(1,252.67)**
B.	**Cash flow from investing activities:**				
	Purchase of property, plant and equipment, intangible assets, capital work-in-progress, intangibles under development, net of capital advances	(2,478.06)		(1,145.17)	
	Proceeds from sale of property, plant and equipment	19.00		34.63	
	Purchase of other investments	(424.13)		(223.25)	
	Purchase of Investments in Subsidiaries / Associates	(98.49)		(387.59)	
	Sale of Investments in Subsidiaries / Associates	4.15		168.59	
	Sale / redemption of other investments	56.32		47.82	
	(Purchase) / Sale of investment property	(3.68)		-	
	Interest received	25.93		23.61	
			(2,898.96)		(1,481.36)
	Net cash from / (used in) investing activities	(B)	**(2,898.96)**		**(1,481.36)**

Rupees in crores

		Year ended 31-03-2025		Year ended 31-03-2024	
C.	**Cash flow from financing activities :**				
	Borrowings:				
	Non-current borrowings availed / (repaid)	1,301.85		3,844.07	
	Current borrowings availed / (repaid)	1,025.78		(182.03)	
	Other bank balances	-		(43.96)	
	Finance cost paid	(406.54)		(283.67)	
	Contribution from non-controlling Interest	42.74		480.00	
	Purchase of treasury shares by ESOP Trust	(95.27)		-	
	Lease liabilities paid	(238.23)		(195.70)	
	Dividend paid	(475.09)		(380.07)	
			1,155.24		3,238.64
	Net cash from / (used in) financing activities	(C)	**1,155.24**		**3,238.64**
	Total (A)+(B)+(C)		**1,759.20**		**504.61**
	Cash and cash equivalents at the beginning of the year		2,355.80		1,851.19
	Cash and cash equivalents at the end of the year (Refer Note 12)		4,115.00		2,355.80
D.	**Net increase/(decrease) in cash and cash equivalents**		**1,759.20**		**504.61**

Note : The above statement of cash flow is prepared using indirect method.

Change in liability arising from financing activities

Particulars	As at 01-04-2024	Cash flow	Foreign exchange movement	Outgoing subsidiary	Amortisation	As at 31-03-2025
Non-current borrowings	12,629.32	1,301.85	-	-	1.51	13,932.68
Current borrowings	12,657.30	1,025.78	-	-	-	13,683.08

Non-cash financing and investing activities

Particulars	2024-25	2023-24
Acquisition of right-of-use assets	737.81	160.55
Acquisition of investment	-	-

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Notes to the Consolidated Financial Statements (Contd.)

1 Material Accounting Policies

The accounting policies mentioned herein are relating to the consolidated financial statements of TVS Motor Company Limited and its subsidiaries and associates.

a) Brief description of the Group

TVS Motor Company Limited (the Company) is a public limited company, incorporated and domiciled in India whose shares are publicly traded. The registered office is located at "Chaitanya", No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in a wide range of activities such as manufacturing of automotive vehicles, spare parts & accessories thereof, and financial services.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. These financial statements for the year ended 31st March 2025 have been approved and authorised for issue by the Board of Directors at its meeting held on 28th April 2025.

Principles of Consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. (This is generally the case where the group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an investment accounted under equity method equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of investees accounted under equity method have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of investments accounted under equity method are tested for impairment in accordance with the policy described in note 1(k) below.

Notes to the Consolidated Financial Statements (Contd.)

The subsidiary companies and associates considered in consolidated financial statements are :

Sl. No.	Name of the Company	Country of incorporation	Proportion of ownership (interest/voting power -%)		Reporting date
			2024-25	2023-24	
1	**Subsidiary Companies:**				
a.	Sundaram Auto Components Limited, Chennai	India	100%	100%	31-03-2025
b.	TVS Motor Company (Europe) B.V. Amsterdam	Netherlands	100%	100%	31-03-2025
c.	PT. TVS Motor Company Indonesia, Jakarta	Indonesia	51.20% direct holding, 31.71% by (d) and 17.09% by (b)	51.20% direct holding, 31.71% by (d) and 17.09% by (b)	31-03-2025
d.	TVS Motor (Singapore) Pte. Limited, Singapore	Singapore	100%	100%	31-03-2025
e.	TVS Digital Limited (Formerly known as TVS Housing Limited) up to 15.09.24	India	100%	100%	31-03-2025
f.	TVS Motor Services Limited, Chennai	India	100%	100%	31-03-2025
g.	TVS Credit Services Limited, Chennai	India	80.69 % direct holding and 0.43% by (f)	80.53 % direct holding and 0.44% by (f)	31-03-2025
h.	Harita ARC Services Private Limited, Chennai	India	100% by (g)	100% by (g)	31-03-2025
i.	Harita Two Wheeler Mall Private Limited, Chennai	India	100% by (g)	100% by (g)	31-03-2025
j.	TVS Housing Finance Private Limited, Chennai	India	100% by (g)	100% by (g)	31-03-2025
k.	The Norton Motorcycle Co. Limited, London	United Kingdom	100% by (d)	100% by (d)	31-03-2025
l.	TVS Digital Pte Limited	Singapore	100% by (d)	100% by (d)	31-03-2025
m.	The GO Corporation, Switzerland (GO AG)	Switzerland	100% by (d)	87.82% by (d)	31-03-2025
n.	EGO Movement Stuttgart, GmbH	Germany	100% by (m)	100% by (m)	31-03-2025
o.	TVS Electric Mobility Ltd, Chennai	India	100%	100%	31-03-2025
p.	Swiss E-Mobility Group (Holding) AG	Switzerland	100% by (d)	100% by (d)	31-03-2025
q.	Swiss E-Mobility Group (Schweiz) AG, Zurich	Switzerland	100% by (p)	100% by (p)	31-03-2025
r.	Colag E-Mobility GmbH, Germany, Nuremberg	Germany	100% by (p)	100% by (p)	31-03-2025
s.	Alexand'Ro Edouard'O Passion Vélo Sàrl ("Passion Vélo"), Neuchatel	Switzerland	100% by (p)	100% by (p)	31-03-2025
t.	EBCO Limited, Warwickshire, England	United Kingdom	100% by (d)	70% by (d)	31-03-2025
u.	Celerity Motor GmbH, Germany	Germany	100% by (d)	100% by (d)	31-03-2025
v.	DriveX Mobilty private Limited, Coimbatore	India	89.40%	-	31-03-2025
w.	TVS Motor Company DMCC, Dubai	UAE	100%	-	31-03-2025
x.	Swiss E-mobility Group (österreich) Gmbh, Austria	Austria	100% by (p)	100% by (p)	31-03-2025
2.	**Associate Companies:**				
aa.	Ultraviolette Automotive Private Limited, Bengaluru	India	30.83%	30.83%	31-03-2025
ab.	DriveX Mobilty private Limited, Coimbatore	India	-	48.27%	31-03-2025
ac.	Tagbox Pte Ltd, Singapore	Singapore	-	24.32% by (l)	31-03-2025
ad.	Predictronics Corp, USA	USA	23.49% by (l)	23.49% by (l)	31-03-2025
ae.	Scienaptic Systems Inc., USA	USA	-	21.03% by (l)	31-03-2025
af.	Altizon Inc, USA	USA	20.0% by (l)	20.0% by (l)	31-03-2025
ag.	Indian foundation for Quality Management	India	-	28.57%	31-03-2025
ah.	Kilwatt Gmbh	Germany	49% by (d)	49% by (d)	31-03-2025
ai.	ION Mobility Pte Ltd	Singapore	-	25.64% by (d)	31-03-2025

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

Notes to the Consolidated Financial Statements (Contd.)

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements

d) Significant Estimates and judgments

The areas involving critical estimates or judgments are:

i) Estimation of useful life of Property, Plant and Equipment - Refer Note 1(f) and 1(g).

ii) Estimation of fair value of unlisted securities - (Refer Note 33).

iii) Estimation of impairment of goodwill. (Refer Note 37)

iv) Defined benefit obligation - (Refer Note 39).

v) Estimation of provision (Refer Note 43).

vi) Estimation and evaluation of provisions and contingencies relating to tax litigations (Refer Note 44(a))

e) Revenue recognition

Sale of automotive vehicles, parts and automotive components

Revenue is recognised when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time, the Group has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Group has objective evidence that all criteria for acceptance have been satisfied.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Group's contracts with customers does not provide for any right to returns, refunds or similar obligations. The Group's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision (Refer Note 43).

Sale of services

The Group also earns revenue from providing Technical/ IT services and Royalty on usage of Group's technical knowhow. In respect of Technical/IT service, the revenue is recognised on a time proportion basis as the customer simultaneously receives and consumes the benefits as the obligations are performed. Payment for the services provided are received as per the credit terms agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

In respect of Royalty, the performance obligation is, to provide the right-to-use the Group's technical knowhow by the customers, for which usage-based royalty is charged. Payment for the services provided is received as per the credit terms as agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

Revenue from financing

Interest income for loans [other than Purchase of Originally Credit Impaired (POCI)] is recognised using the Effective Interest Rate (EIR) method.

For financial assets that are not "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Income in the nature of overdue interest, and bounce charges are recognized on realization, due to uncertainty of collection.

Warranty Obligations

The Company provides warranties for products sold as per terms of the contract with ultimate customers. These warranties are considered as assurance type warranties and are accounted for under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets.

Significant judgements

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

f) Property, Plant and Equipment

Property, plant and equipment (including land, building, furniture, fixtures, vehicles, etc.) are held for use in the production or supply of goods or services, or for administrative purposes. Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment, if any. Such assets are classified to the appropriate categories of property,

Notes to the Consolidated Financial Statements (Contd.)

plant and equipment when completed and ready for its intend use. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred upto the date the asset is ready for its intended use. However, cost excludes Goods and Services Tax to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss with in other income /expenses.

g) Depreciation and amortisation

i) Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/ triple shift) as evaluated by a Chartered Engineer, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

ii) Keeping in mind the rigorous and periodic maintenance programme followed by the Group, the estimated useful life of the property, plant and equipment as assessed by the Chartered Engineer and followed by the Group is given below:

Description	Years
Factory building and other buildings	5 to 61
Plant and machinery	4 to 29
Electrical equipment	15
Furniture and fixtures	4 to10
Computers and information systems	3 to 4
Material handling equipment	5
Mobile phone	2
Vehicles	3 to 6

iii) Tools and dies are generally depreciated based on quantity of components manufactured, subject to a maximum of 5 years. Tools and dies used for low volume models are depreciated over a period of 9 years

iv) Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

v) On property, plant and equipment added / disposed of during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

vi) Depreciation in respect of property, plant and equipment costing less than ₹ 10,000/- is provided at 100%.

h) Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group is classified as investment property. Investment Property is measured initially at its cost including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item is measured reliably.

i) Intangible assets

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the cash generating units.

Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 – Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

Notes to the Consolidated Financial Statements (Contd.)

The intangible assets are amortised on straight line basis over its useful life, viz., 2-3 years in the case of software, 8 years in case of acquired brand and trademark and 6 to 10 years in the case of Design, Development and Technical knowhow.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised as profit or loss with in other income /expenses.

j) Loans (receivable from financing activity)

The Loans (receivable from financing activity) are stated at the contract value plus transaction costs less origination income that are directly attributable to the acquisition of the loan. Interest income is recognised using the Effective Interest Rate (EIR) method. Loans are stated at carrying value less impairment loss.

k) Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are prepared in INR and all values are rounded off to nearest crore.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

i) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

ii) Non-monetary items denominated in foreign currency such as investments, Property, Plant and Equipment, etc., are valued at the exchange rate prevailing on the date of transaction. Non-monetary investments measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on account of such translation is recognized in OCI or Profit and Loss in line with the designation of the respective item.

iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency in the following manner:

a) assets and liabilities are translated at the closing rate at the date of that balance sheet;

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c) all resulting exchange differences are recognised in other comprehensive income.

m) Hedge accounting

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges), or
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

Notes to the Consolidated Financial Statements (Contd.)

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. Movements in the hedging reserve in shareholders' equity are shown in Note 34. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that is designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss.

When forward contracts are used to hedge forecasted transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit and loss in the periods when the hedged item affects profit and loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecasted transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the statement of profit and loss.

n) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials, components, stores and spares are ascertained on a moving average basis.

ii) Cost of finished goods and work-in-progress comprise of direct materials, direct labour and an appropriate proportion of variable and fixed overhead, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory includes cost of purchase and other cost incurred in bringing the inventories to the current location after deducting rebates and discounts. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

iii) Provision for slow and Obsolete inventory:

The company has a policy for identifying slow/ non-moving inventory. Based on the policy value inventory is provided for obsolescence based on ageing.

o) Employee benefits

i) Short term obligations:

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

ii) Other long term obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the

Notes to the Consolidated Financial Statements (Contd.)

related service. They are, therefore, measured at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are charged to Profit and Loss account. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Group operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for its eligible senior managers; and

b) Defined contribution plans such as provident fund.

Pension and gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at the end of each reporting period by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the Government Bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (net-off deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Provident fund:

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Company or to the Regional Provident Fund Commissioner. Where irrevocable trust exists, the Group is generally liable for contributions and any shortfall in the fund assets based on the Government specified minimum rates of return. The Group recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

(iv) Bonus plans:

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Taxes on income

Tax expense comprises of current and deferred taxes. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Notes to the Consolidated Financial Statements (Contd.)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred Tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to Income Taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Where the Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Group accounts for such allowances as tax credits, which means that the allowances reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward.

q) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit and loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets.

The benefit of a government loan at a below market-rate of interest is treated as government grant and is measured as the difference between proceeds received and fair value of the loan.

In case of waiver of duty under EPCG licence, such grant is considered as revenue grant and recognized in statement of profit and loss on based on positive evidence of completion of export obligation as approved by Regulatory Authorities.

r) Dividends

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

s) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. When products are sold, the estimated liability for product warranties is recorded based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability, are considered as contingent liabilities. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

iii) Warranty:

Provision is made for estimated warranty claims in respect of vehicles sold which are still under warranty at the end of the reporting period. These claims are

Notes to the Consolidated Financial Statements (Contd.)

expected to be settled from the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historic and the dues which are payable within 12 Months is classified as current and others are non-current.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Company's Chief Operating Decision Maker (CODM) examines Risks and Rewards of the entity's performance and allocates the resources aligning with the Company's strategy.

The Company identified operations from which significant risks and rewards are derived in two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial services.

Profit /Loss of the Financial services vertical represents dividend, interest, profit / (Loss) on fair valuation / sale of investments.

The Investments of the Company in TVS Credit Services Limited and TVS Motor Services Limited and other non-strategic companies categorized as Financial services.

u) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of buildings for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.
- payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the respective Company:

- where possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group if exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The carrying amount of lease liability is reduced by net lease payments (i.e., lease payments net off finance cost).

Variable lease payments are recognised in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Notes to the Consolidated Financial Statements (Contd.)

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

v) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

w) Trade receivables

Trade receivables are measured at their transaction price on initial recognition, unless it contains a significant financing component or pricing adjustments embedded in the contract in which cases, it is recognised at fair value. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less allowance for expected credit loss.

x) Contract liabilities

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

y) Investments and Other financial assets

i) Classification

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value [either through Fair Value Through Other Comprehensive Income (FVTOCI), or Fair Value Through Profit and Loss (FVTPL)], and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At Initial recognition, the Group measures a financial asset at its fair value plus transaction cost (in the case of a financial asset not a FVTPL) that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit and loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments.

- *Amortised Cost:*

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- *Fair value through other comprehensive income:*

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss.

- *Fair Value through profit or loss:*

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Group subsequently measures all its investments in equity at fair value. Where the Group's management has elected to present fair

Notes to the Consolidated Financial Statements (Contd.)

value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately.

Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note no. 34 and Note no. 35 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

For loans given by financial enterprise the impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Group determines whether there has been a significant increase in credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

iv) Derecognition of financial assets

A financial asset is derecognised only when:

a) the Group has transferred the rights to receive cash flows from the financial asset or

b) the Group retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition

Interest Income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

z) Financial Liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included under 'Finance costs'.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the

Notes to the Consolidated Financial Statements (Contd.)

consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

aa) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

ab) Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle for all entities within the group.

ac) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the profit after tax (attributable to the owners) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

ad) Treasury Shares

The Company has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Company from the market for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting conditions, the balance lying in "Treasury share reserve" is transferred to "Retained earnings".

ae) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to the Consolidated Financial Statements (Contd.)

2 Property, Plant & Equipment and Other Intangible Assets as at 31-03-2025

Rupees in crores

Description	Property, Plant & Equipment								Other Intangible			
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use	Total	Software	Design Development	Trade Mark	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Cost of assets												
Gross carrying value as at 01-04-2024	562.92	1,264.20	5,682.63	238.17	120.69	359.11	1,164.07	9,391.79	291.19	830.80	512.28	1,634.27
Acquired in business combination	-	-	1.10	3.17	0.01	1.15	7.54	12.97	2.35	-	-	2.35
Additions	488.83	38.34	651.44	65.36	281.45	84.30	739.24	2,348.96	232.39	366.37	105.62	704.38
Foreign exchange translation reserve adjustments	(2.22)	1.88	3.10	3.57	0.56	0.46	12.45	19.80	6.50	5.80	27.02	39.32
Sub-total	**1,049.53**	**1,304.42**	**6,338.27**	**310.27**	**402.71**	**445.02**	**1,923.30**	**11,773.52**	**532.43**	**1,202.97**	**644.92**	**2,380.32**
Sales / deletion	3.21	52.90	324.72	12.07	12.46	16.07	436.84	858.27	-	-	-	-
Total	**1,046.32**	**1,251.52**	**6,013.55**	**298.20**	**390.25**	**428.95**	**1,486.46**	**10,915.25**	**532.43**	**1,202.97**	**644.92**	**2,380.32**
Depreciation / Amortisation												
Upto 31-03-2024	-	434.76	3,716.61	139.98	68.38	255.52	482.42	5,097.67	211.96	440.00	120.38	772.34
For the year	-	40.78	377.96	33.87	34.26	64.62	196.92	748.41	73.94	153.35	69.86	297.15
Foreign exchange translation reserve adjustments	-	(0.07)	1.17	2.87	(0.55)	0.33	4.95	8.70	14.81	1.72	11.40	27.93
Sub-total	**-**	**475.47**	**4,095.74**	**176.72**	**102.09**	**320.47**	**684.29**	**5,854.78**	**300.71**	**595.07**	**201.64**	**1,097.42**
Withdrawn on assets sold / deleted	-	12.54	190.46	6.05	10.20	14.35	194.67	428.27	-	-	-	-
Total	**-**	**462.93**	**3,905.28**	**170.67**	**91.89**	**306.12**	**489.62**	**5,426.51**	**300.71**	**595.07**	**201.64**	**1,097.42**
Net carrying value as at 31-03-2025	1,046.32	788.59	2,108.27	127.53	298.36	122.83	996.84	5,488.74	231.72	607.90	443.28	1,282.90

a) Cost of buildings includes ₹ 30.99 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹ 0.51 Crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - Nil

Capital work-in-progress (at cost) as at 31-03-2025

(a) Building	304.63
(b) Plant & equipment	359.15
Total	**663.78**

(i) Ageing of Capital work-in-progress as at 31-03-2025

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	514.51	111.56	16.90	20.81	663.78

(ii) Ageing of Intangible assets under development as at 31-03-2025

Particulars	Amount in Intangible assets under development for a period of				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	507.82	229.81	27.51	36.53	801.67

Capital work-in-progress and Intangible asset under development:

There is no Capital work in progress and Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan

Notes to the Consolidated Financial Statements (Contd.)

2 Property, Plant & Equipment and Intangible Assets as at 31-03-2024

Rupees in crores

Description	Property, Plant & Equipment								Other Intangible			
	Land	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Right of Use	Total	Software	Design Development	Trade Mark	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Cost of assets												
Gross carrying value as at 01-04-2023	511.73	1,158.94	5,410.93	170.71	99.15	311.42	1,026.23	8,689.11	217.56	681.14	497.24	1,395.94
Additions	56.21	109.43	437.24	67.72	31.61	62.64	177.96	942.80	73.13	179.35	2.41	254.89
Foreign exchange translation reserve adjustments	(5.02)	(0.27)	(3.74)	0.71	0.54	0.02	-	(7.76)	0.50	(2.90)	12.63	10.23
Sub-total	**562.92**	**1,268.10**	**5,844.43**	**239.14**	**131.30**	**374.08**	**1,204.19**	**9,624.15**	**291.19**	**857.59**	**512.28**	**1,661.06**
Sales / deletion	-	3.90	161.79	0.97	10.60	14.97	40.12	232.36	-	26.79	-	26.79
Total	**562.92**	**1,264.20**	**5,682.63**	**238.17**	**120.69**	**359.11**	**1,164.07**	**9,391.79**	**291.19**	**830.80**	**512.28**	**1,634.27**
Depreciation / Amortisation												
Upto 31-03-2023	-	386.52	3,443.74	110.28	58.35	217.60	295.22	4,511.71	166.80	335.49	57.77	560.06
For the year	-	51.91	384.75	30.44	15.51	52.95	217.84	753.40	53.05	104.59	64.08	221.72
Foreign exchange translation reserve adjustments	-	(0.74)	(3.86)	0.35	0.14	(0.11)	(8.12)	(12.34)	(7.90)	(0.09)	(1.47)	(9.45)
Sub-total	**-**	**437.69**	**3,824.63**	**141.07**	**74.00**	**270.44**	**504.94**	**5,252.77**	**211.95**	**440.00**	**120.38**	**772.33**
Withdrawn on assets sold / deleted	-	2.93	108.02	1.09	5.62	14.92	22.52	155.10	0.01	-	-	-
Total	**-**	**434.76**	**3,716.61**	**139.98**	**68.38**	**255.52**	**482.42**	**5,097.67**	**211.96**	**440.00**	**120.38**	**772.33**
Net carrying value as at 31-03-2024	562.92	829.44	1,966.03	98.19	52.31	103.59	681.65	4,294.12	79.24	390.80	391.90	861.95

a) Cost of buildings includes ₹ 11.42 crores pertaining to buildings constructed on leasehold lands.

b) Land includes lease hold land of ₹ 0.51 Crores, whose ownership is transferrable at the end of the lease term.

c) Borrowing cost capitalised during the year - ₹ 1.78 crores.

Capital work-in-progress (at cost) as at 31-03-2024

(a) Building	60.45
(b) Plant & equipment	277.56
Total	**338.01**

(i) Ageing of Capital work-in-progress as at 31-03-2024

Particulars	Amount in Capital work-in-progress for a period of				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	220.96	34.22	61.97	20.86	338.01

(ii) Ageing of Intangible assets under development as at 31-03-2024

Particulars	Amount in Intangible assets under development for a period of				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	439.91	168.61	64.86	21.56	694.94

Capital work-in-progress and Intangible asset under development:

There is no Capital work in progress and Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan

Notes to the Consolidated Financial Statements (Contd.)

3 Investment Properties

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Gross carrying amount	137.70	137.70
Additions	3.68	-
Deletions	-	-
Closing gross carrying amount (A)	**141.38**	**137.70**
Opening accumulated depreciation	-	
Additions	-	-
Deletions	-	-
Closing accumulated depreciation (B)	-	-
Total investment properties (A)-(B)	**141.38**	**137.70**

4 Investments

A. Non Current Investments

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	Rupees in crores	
		As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(a)	**Investment in Equity Instruments :**						
	Fair valued through OCI:						
	Quoted :						
	(i) Ucal Fuel Systems Limited, Chennai	91,760	91,760	10.00	INR	1.20	1.33
	Unquoted :						
	(ii) Green Infra BTV Limited, New Delhi	32,50,000	32,50,000	10.00	INR	2.04	1.89
	(iii) TVS Lanka (Private) Limited, Colombo	50,00,000	50,00,000	10.00	LKR	16.99	4.48
	(iv) Green Infra Wind Power Projects Limited, New Delhi	1,11,600	1,11,600	10.00	INR	0.08	0.08
	(v) Green Infra Wind Energy Theni Limited, New Delhi	-	34,34,477	10.00	INR	-	2.14
	(vi) Green Infra Wind Power Generation Limited, New Delhi	2,16,000	2,16,000	10.00	INR	0.19	0.18
	(vii) Condivision Solutions Pvt. Limited, Bengaluru	6,760	6,760	10.00	INR	-	-
	(viii) Mulanur Renewable Energy Pvt. Limited, Chennai	15,000	15,000	10.00	INR	0.02	0.02
	(ix) PHI Research Pvt. Limited, Chennai	3,50,000	3,50,000	10.00	INR	3.36	3.36
	(x) Atria Wind Power Bijapur 1 Limited, Bengaluru	1,01,217	1,01,217	10.00	INR	2.00	2.00
	(xi) Atria wind power (Chitradurga) P Ltd, Bengaluru	-	80,948	100.00	INR	-	0.51
	(xii) Altizon Systems Private Limited, Pune	10	10	10.00	INR	0.01	0.01
	(xiii) Roppen Transportation Services Private Limited, Hyderabad	10	10	1.00	INR	0.05	0.05
	(xiv) Roppen Transportation Services Private Limited, Hyderabad[$]	23,985	23,985	10.00	INR	125.84	119.73
	(xv) Green Infra Wind Energy Generation Limited, Gurugram	23,45,000	28,45,000	10.00	INR	2.35	2.85
	(xvi) Eight Innovate Fund, Mumbai	40,000	40,000	1,000.00	INR	5.38	4.00
	(xvii) ARC Ride Limited, UK	575	575	0.01	GBP	8.73	8.46
	(xix) Atria Wind Power (Basavana Bagewadi), Bengaluru	47,000	-	100.00	INR	0.91	-
	(xx) Indian Foundation for Quality Management, Bengaluru[^]	2,50,00,000	-	10.00	INR	25.00	-
	Total value of Equity Instruments (a)					**194.15**	**151.09**

Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	Rupees in crores	
		As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(b)	**Investments in Preference Shares:**						
	Unquoted :						
	Fair valued through OCI:						
	(i) Mottu Holdings Ltd, USA	3,26,064	2,19,514	0.001	USD	119.00	73.63
	(ii) Quadrant Esports Ltd, UK	12,547	12,547	0.001	Euro	1.07	1.04
	(iii) Pinnacle Engines Inc., USA (face value 0.01 cent)	24,09,638	24,09,638	0.0001	USD	-	-
	(iv) Axiom Research Labs Private Limited, Delhi	82	82	10.00	INR	-	-
	(v) Scienaptic Systems Inc., USA^	22,73,941	-	3.20	USD	61.91	-
	(vi) Commeasure Pte Ltd, Singapore	78,703	-	86.15	SGD	43.20	-
	Total value of Preference shares (b)					**225.18**	**74.67**
(c)	**Investment in Debt Instruments (unquoted):**						
	Valued at Amortised Cost :						
	(i) Fabric IOT Private Limited, Bengaluru				INR	-	17.79
	Pension Funds / Government Securities:						
	(ii) ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai				INR	6.95	6.63
	(iii) Life Insurance Corporation Pension Policy, Mumbai				INR	22.37	20.82
	(iv) Investment in Government Securities				INR	-	93.46
	(v) Hyper Grocers Private Limited, Gwalior	25	25.00	1,00,000.00	INR	0.25	0.25
	(vi) Securities and Exchange Commission Bonds				USD	0.07	0.07
	Fair valued through Profit and Loss :						
	(vii) Fabric IOT Private Limited, Bengaluru				INR	-	45.00
	(viii) DAT Bike, Singapore				USD	4.27	4.16
	(ix) Zapata Group B.V, Netherlands				Euro	48.63	36.02
	(x) Vianai Systems, Inc, USA				USD	8.54	-
	(xi) Aegis Rider Ag, Switzerland				USD	17.10	-
	Total value of Debt instruments (c)					**108.18**	**224.20**
(d)	**Other non-current Investments (Unquoted):**						
	Fair valued through OCI:						
	(i) Autotech Fund I L.P., USA				USD	37.43	32.79
	Total value of other non-current investments (d)					**37.43**	**32.79**
	Total (a) + (b) + (c) + (d)					**564.94**	**482.75**
	Aggregate amount of quoted investments and market value thereof					1.20	1.33
	Aggregate amount of unquoted investments					563.74	481.42
	Total					**564.94**	**482.75**

All Investments are fully paid up.

$ Preference shares in the nature of equity instruments

^ Moved from investment in Associates to Non current investments

Notes to the Consolidated Financial Statements (Contd.)

4B Current Investments

Sl. No.	Particulars	No. of shares / units		Face Value	Currency	Rupees in crores	
		As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(a)	**Investment in Equity Instruments Fair valued through Profit or Loss:**						
	Quoted :						
(i)	TVS Supply Chain Solutions Limited, Chennai	1,92,72,200	1,05,62,200	1.00	INR	233.19	163.19
(b)	**Investment in Debt Instruments (unquoted):**						
	Valued at Amortised Cost :						
(i)	Investment in Government securities					282.12	-
	Total					515.31	163.19
	Aggregate amount of quoted and non-qouted investments					515.31	163.19
	Total					**515.31**	**163.19**

All investments are fully paid up.

5 Loans (Receivable from Financing Activity)

Rupees in crores

Particulars	As at 31-03-2025		As at 31-03-2024	
	Current	Non-current	Current	Non-current
Secured:				
Automobile financing				
Considered good	12,078.39	9,145.69	10,438.49	9,801.72
Considered doubtful	480.56	214.06	423.30	233.50
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(369.76)	(296.95)	(331.45)	(347.99)
Unsecured:				
Financing (Others)				
Considered good	2,776.00	2,211.82	2,757.32	2,447.16
Considered doubtful	65.65	23.00	59.54	21.71
Less: Loss allowance				
Provision for expected credit loss (Refer Note 35)	(119.34)	(92.26)	(147.43)	(103.12)
Unsecured				
Trade advance and term loan				
Considered good	183.57	1.63	218.81	1.57
Considered doubtful	0.68	-	4.75	-
Provision for expected credit loss (Refer Note 35)	(2.27)	-	(6.07)	-
	15,093.48	**11,206.99**	**13,417.26**	**12,054.55**

6 Non-Current Assets - Other Financial Assets

Rupees in crores

	As at 31-03-2025	As at 31-03-2024
Deposits	127.42	68.89
Loans given to employees	4.82	4.46
Claim receivable	28.00	31.50
Hedge asset	-	90.67
	160.24	**195.52**

Notes to the Consolidated Financial Statements (Contd.)

7 Investments Accounted Using Equity Method

Rupees in crores

	As at 31-03-2025	As at 31-03-2024
Ultraviolette Automotive Private Limited, Bengaluru	7.29	7.29
[14,850 (last year - 14,850) Equity shares]		
Ultraviolette Automotive Private Limited, Bengaluru	56.20	91.65
[12,316 (last year - 12,316) Preference shares]		
Predictronics Corp, USA	17.37	17.85
[24,827 (last year - 24,827) Equity shares]		
Tagbox Pte Limited, Singapore^	-	0.98
[Nil (last year - 2,43,243) Preference shares]		
Scienaptic Systems Inc., USA #	-	54.07
[Nil (last year - 28,05,357) Equity shares]		
Altizon Inc., USA	22.59	23.27
[8,06,429 (last year - 8,06,429) Equity shares]		
DriveX Mobility Private Limited, Coimbatore*	-	68.65
[Nil (last year - 9,766) Equity shares]		
Ion Mobility Pte Ltd^	-	121.81
[Nil (last year - 49,64,524) Preference shares]		
Killwatt, GmbH	63.68	66.68
[24,500 (last year - 24,500) Equity shares]		
Indian Foundation for Quality Management, Bengaluru #	-	25.00
[Nil (last year - 2,50,00,000) Equity shares]		
	167.13	**477.25**

^ Ceased to be associate as on 31st March 2025

Ceased to be associate as on 31st March 2025 and part of Non current investments

* Ceased to be an associate and become the subsidiary of the Company as on 31st March 2025

8 Deferred Tax Assets

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
The balance comprises temporary differences attributable to:		
Deferred tax asset consists of :		
- Depreciation	6.68	4.88
- tax on employee benefit expenses	18.68	20.96
- tax on expected credit losses provision	244.94	228.12
- tax on investment property	14.72	14.72
- tax on carried forward loss	65.92	42.28
- tax on others	155.48	99.35
Total deferred tax assets (A)	**506.42**	**410.31**
Deferred tax liability on other item (B)	**10.51**	**16.03**
Net deferred tax assset (A)-(B)	**495.91**	**394.28**

Notes to the Consolidated Financial Statements (Contd.)

Movement in deferred tax :

Rupees in crores

Particulars	Depreciation	Others	Total
As at 31-03-2023			305.73
Charged/(credited):			
- to profit or loss	(0.04)	83.13	83.09
- to foreign currency translation		1.52	1.52
- to other comprehensive income	-	3.94	3.94
As at 31-03-2024			394.28
Charged/(credited):			
- to profit or loss	(1.80)	80.97	79.17
- to subsidary incumbent deferred tax asset	-	15.12	15.12
- to foreign currency translation		2.17	2.17
- to other comprehensive income	-	5.17	5.17
As at 31-03-2025			**495.91**

9 Other Non-Current Assets

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Capital advances	215.67	126.39
Advances other than capital advances:		
Prepaid expenses	5.71	4.05
Deposits made	13.62	18.34
	235.00	**148.78**

10 Inventories

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Raw materials and components	971.25	990.02
Goods-in-transit - Raw materials and components	132.47	48.16
Work-in-progress	50.80	64.23
Finished goods	680.28	532.60
Stock-in-trade	483.18	555.72
Stores and spares	98.60	57.67
	2,416.58	**2,248.40**

11 Trade Receivables

Rupees in crores

	As at 31-03-2025	As at 31-03-2024
Secured, considered good	21.37	14.13
Unsecured, considered good *	1,695.38	1,825.29
Receivables which have significant increase in credit risk	43.70	48.34
	1,760.45	**1,887.76**
Less: Loss allowance	43.70	48.34
	1,716.75	**1,839.42**

* Include balance with related parties [Refer Note 39(c)(i)].

Notes to the Consolidated Financial Statements (Contd.)

(i) Ageing for trade receivable as on 31.03.2025

Rupees in crores

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	81.25	1,126.88	179.70	307.08	5.53	16.31	1,716.75
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	2.41	6.55	2.42	6.72	1.66	23.94	43.70
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**83.66**	**1,133.43**	**182.12**	**313.80**	**7.19**	**40.25**	**1,760.45**

(ii) Ageing for trade receivable as on 31.03.2024

Rupees in crores

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	160.57	1,045.97	548.07	65.16	4.24	12.16	1,836.17
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	3.25	-	-	-	-	3.25
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	20.00	1.17	1.39	25.78	48.34
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**160.57**	**1,049.22**	**568.07**	**66.33**	**5.63**	**37.94**	**1,887.76**

12 Cash and Cash Equivalents

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Balances with banks	4,076.47	2,099.94
Cash on hand	2.90	5.86
Cash equivalents:		
Deposits with maturity of less than three month from the date of deposit	35.63	250.00
	4,115.00	**2,355.80**
Cash and cash equivalents for the purpose of cash flow statement	**4,115.00**	**2,355.80**

13 Bank Balances Other Than Cash And Cash Equivalents

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Earmarked balances with banks^	264.66	45.02
Deposits with maturity of more than three month and less than one year from the date of deposit	6.58	24.91
	271.24	**69.93**

^ Includes balances towards unpaid dividend

Notes to the Consolidated Financial Statements (Contd.)

14 Other Financial Assets - (Current)

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Unsecured, considered good :		
- Employee advances	21.85	18.65
- Other bank balances (Bank deposit)	2.09	2.09
- Security deposits	48.64	39.47
- Claims receivable	31.68	34.42
- Loans and advances - Non Related Parties	142.91	41.60
- Interest accrued on Fixed deposit	0.09	-
- Receivable towards sale of fixed assets	62.97	66.43
- Hedge asset - receivable	15.73	-
	325.96	202.66

15 Other Current Assets

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Balances with tax authorities	682.41	523.46
Prepaid expense	175.56	138.20
Vendor advance*	199.53	298.67
Trade deposits	5.06	70.71
Incentive receivable from Government^	468.13	182.63
Employee benefit assets (Refer Note 39)	11.88	4.77
Others	19.75	3.96
	1,562.32	**1,222.40**
Less: loss allowance	32.39	22.94
	1,529.93	**1,199.46**

* Balances include balance with related parties [Refer Note 39(c)(i)].

^ Includes EV subsidy receivable of ₹ 210.96 crores (Previous Year ₹148.62 crores)

^ Includes PLI receivable of ₹ 214.35 crores (Previous Year Nil)

16 Equity Share Capital

(a) Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rupees in crores	Number	Rupees in crores
Authorised:				
Equity shares of ₹1/- each	50,00,00,000	50.00	50,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of ₹1/- each	47,50,87,114	47.51	47,50,87,114	47.51
	47,50,87,114	**47.51**	**47,50,87,114**	**47.51**

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	47,50,87,114	47.51	47,50,87,114	47.51
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**47,50,87,114**	**47.51**	**47,50,87,114**	**47.51**

Notes to the Consolidated Financial Statements (Contd.)

(c) (i) Rights and preferences attached to equity share:

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

(ii) There are no restrictions attached to equity shares.

(d) Shares held by Holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26

(e) Shareholders holding more than five percent at the end of the year (other than (d))

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
ICICI Prudential Mutual Fund	Equity	3,49,41,063	7.35	3,75,37,940	7.90

(f) Shares held by Promoters at the end of the year 31.03.2025

Promoter name	Class of share	As at 31-03-2025		As at 31-03-2024		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

Shares held by Promoters at the end of the year 31.03.2024

Promoter name	Class of share	As at 31-03-2024		As at 31-03-2023		
		No. of shares held	% of holding	No. of shares held	% of holding	% change during the year
TVS Holdings Limited, Chennai (Holding Company)	Equity	23,87,82,786	50.26	23,87,82,786	50.26	-

17 Other Equity

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
General reserve	876.24	876.24
Capital reserve	6.51	6.51
Statutory reserve	451.41	297.96
Retained earnings	7,106.24	5,529.37
Other Reserves	15.47	25.93
	8,455.87	**6,736.00**

Notes to the Consolidated Financial Statements (Contd.)

18 Financial Liabilities - Borrowings (Non Current)

Rupees in crores

Nature	Lenders	As at 31-03-2025	As at 31-03-2024	Status as at 31-03-2025			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Secured Borrowings:							
ECB Loan 1	Bank	300.30	-	7.8%	Bullet	1	Mar-2028
ECB Loan 2	Bank	-	833.00	-	-	-	-
Term Loan 1	Bank	-	47.56	-	-	-	-
Term Loan 2	Bank	138.52	249.44	SOFR + 2.60% p.a	Quarterly	10	Dec-2027
Term Loan 3	Bank	13.64	175.58	5.60%	Monthly	1	Apr-2025
Term Loan 4	Bank	-	62.49	-	-	-	-
Term Loan 5	Bank	-	125.00	-	-	-	-
Term Loan 6	Bank	81.61	324.30	6.35%	Monthly	4	Jul-2025
Term Loan 7	Bank	-	200.00	-	-	-	-
Term Loan 8	Bank	99.99	299.95	7.00%	Quarterly	2	Jul-2025
Term Loan 9	Bank	125.69	291.18	7.25%	Quarterly	3	Jan-2026
Term Loan 10	Bank	125.66	249.45	7.25%	Quarterly	4	Apr-2026
Term Loan 11	Bank	-	83.34	-	-	-	-
Term Loan 12	Bank	209.67	489.08	7.59%	Quarterly	3	Dec-2025
Term Loan 13	Bank	27.19	59.33	7.60%	Monthly	10	Jan-2026
Term Loan 14	Bank	-	41.67	-	-	-	-
Term Loan 15	Bank	20.13	40.00	7.75%	Quarterly	4	Mar-2026
Term Loan 16	Bank	29.39	58.38	7.75%	Monthly	12	Mar-2026
Term Loan 17	Bank	39.99	119.97	8.00%	Quarterly	2	Sep-2025
Term Loan 18	Bank	90.02	209.98	8.05%	Quarterly	3	Oct-2025
Term Loan 19	Bank	-	62.53	-	-	-	-
Term Loan 20	Bank	317.88	456.44	7.10%	Quarterly	9	Jun-2027
Term Loan 21	Bank	105.89	151.61	7.10%	Quarterly	9	Jun-2027
Term Loan 22	Bank	241.35	335.70	7.10%	Quarterly	10	Sep-2027
Term Loan 23	Bank	-	749.18	-	-	-	-
Term Loan 24	Bank	251.25	-	7.15%	Quarterly	8	Mar-2027
Term Loan 25	Bank	62.84	-	7.25%	Quarterly	8	Mar-2027
Term Loan 26	Bank	69.23	100.00	6.85%	Quarterly	9	Jun-2027
Term Loan 27	Bank	-	374.60	-	-	-	-
Term Loan 28	Bank	-	93.65	-	-	-	-
Term Loan 29	Bank	278.05	-	6.39%	Quarterly	9	Jun-2027
Term Loan 30	Bank	219.44	-	6.39%	Monthly	19	Jul-2026
Term Loan 31	Bank	-	100.00	-	-	-	-
Term Loan 32	Bank	72.33	100.63	7.10%	Quarterly	10	Sep-2027
Term Loan 33	Bank	232.19	-	6.71%	Quarterly	10	Sep-2027
Term Loan 34	Bank	149.42	-	6.71%	Monthly	22	Jan-2027
Term Loan 35	Bank	255.44	-	6.89%	Quarterly	11	Dec-2027
Term Loan 36	Bank	178.58	-	6.89%	Monthly	25	Apr-2027
Term Loan 37	Bank	351.96	-	6.60%	Quarterly	13	May-2028
Term Loan 38	Bank	146.00	-	6.60%	Monthly	30	Sep-2027
Term Loan 39	Bank	76.92	99.22	7.45%	Monthly	30	Sep-2027
Term Loan 40	Bank	153.85	-	7.45%	Monthly	30	Sep-2027
Term Loan 41	Bank	76.92	-	7.45%	Monthly	30	Sep-2027
Term Loan 42	Bank	337.91	-	7.45%	Monthly	33	Dec-2027
Term Loan 43	Bank	150.66	249.98	7.52%	Quarterly	6	Jul-2026

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Nature	Lenders	As at 31-03-2025	As at 31-03-2024	Status as at 31-03-2025			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Term Loan 44	Bank	400.36	400.00	8.10%	Bullet	1	May-2026
Term Loan 45	Bank	262.50	300.00	7.72%	Quarterly	7	Dec-2026
Term Loan 46	Bank	175.56	249.98	7.65%	Quarterly	7	Oct-2026
Term Loan 47	Bank	164.71	-	7.76%	Quarterly	9	May-2027
Term Loan 48	Bank	411.92	499.95	8.25%	Quarterly	9	Apr-2027
Term Loan 49	Bank	249.99	249.97	8.00%	Bullet	1	Sep-2025
Term Loan 50	Bank	249.95	249.92	8.00%	Bullet	1	Jun-2026
Term Loan 51	Bank	299.92	-	8.10%	Bullet	1	Sep-2027
Term Loan 52	Bank	671.26	999.73	7.69%	Quarterly	8	Mar-2027
Term Loan 53	Bank	-	299.73	-	-	-	-
Term Loan 54	Bank	3,011.31	-	8.30%	Quarterly	15	Nov-2028
Term Loan 55	Bank	75.00	124.97	7.87%	Half Yearly	3	Aug-2026
Term Loan 56	Bank	206.27	281.22	8.35%	Quarterly	11	Dec-2027
Term Loan 57	Bank	291.73	-	8.35%	Quarterly	10	Sep-2027
Term Loan 58	Bank	124.95	-	8.35%	Quarterly	10	Sep-2027
Term Loan 59	Bank	-	124.99	-	-	-	-
Term Loan 60	Bank	33.30	49.96	8.30%	Quarterly	8	Mar-2027
Term Loan 61	Bank	100.00	-	8.30%	Quarterly	8	Mar-2027
Term Loan 62	Bank	532.92	746.10	7.74%	Quarterly	10	Oct-2027
Term Loan 63	Bank	99.39	-	7.95%	Quarterly	15	Dec-2028
Term Loan 64	Bank	-	299.90	-	-	-	-
Term Loan 65	Bank	400.00	720.00	8.50%	Quarterly	5	Jun-2026
Term Loan 66	Bank	120.03	199.84	8.50%	Quarterly	6	Jul-2026
Term Loan 67	Bank	291.67	458.23	8.50%	Quarterly	7	Nov-2026
Term Loan 68	Bank	416.68	-	8.50%	Quarterly	10	Sep-2027
Term Loan 69	Bank	229.22	-	8.50%	Quarterly	11	Nov-2027
Term Loan 70	Bank	229.22	-	8.50%	Quarterly	11	Dec-2027
Term Loan 71	Bank	-	124.93	-	-	-	-
Term Loan 72	Bank	31.46	156.25	7.84%	Quarterly	1	Apr-2025
Term Loan 73	Bank	167.72	333.20	7.84%	Quarterly	4	Feb-2026
Term Loan 74	Bank	120.89	299.95	8.40%	Quarterly	2	Sep-2025
Term Loan 75	Bank	80.83	299.95	8.40%	Quarterly	2	Oct-2025
Term Loan 76	Bank	181.37	-	8.40%	Quarterly	9	Jun-2027
Term Loan 77	Bank	503.43	-	8.30%	Quarterly	10	Dec-2027
Term Loan 78	Bank	150.01	349.94	8.30%	Quarterly	3	Dec-2025
Term Loan 79	Bank	245.44	-	8.5%	Quarterly	9	Jun-2027
Term Loan 80	Bank	272.79	-	8.5%	Quarterly	10	Jul-2027
Term Loan 81	Bank	363.72	-	8.5%	Quarterly	10	Aug-2027
Term Loan 82	Bank	500.02	-	8.1%	Quarterly	11	Dec-2027
Term Loan 83	Bank	500.11	-	8.1%	Quarterly	11	Mar-2028
Term Loan 84	Others	231.41	299.94	8.3%	Monthly	33	Dec-2027
Term Loan 85	Others	334.87	499.84	8.1%	Quarterly	9	Mar-2027
Term Loan 86	Others	-	40.00	-	-	-	-
Term Loan 87	Others	376.78	-	7.8%	Quarterly	9	May-2027
Soft Loan	State owned corporation - I	-	3.33	-	-	-	-
Soft Loan	State owned corporation -II	10.11	9.68	0.1%	Specific period	2	Apr-2030

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Nature	Lenders	As at 31-03-2025	As at 31-03-2024	Status as at 31-03-2025			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Debentures	8.15% Secured Non Convertible Debenture	-	425.00	-	-	-	-
Debentures	8.30% Secured Non Convertible Debenture	833.80	800.00	8.3%	Bullet	2	Sep-2025
Debentures	8.35% Secured Non Convertible Debenture	516.10	-	8.4%	Bullet	2	Oct-2027
Debentures	8.25% Secured Non Convertible Debenture	534.77	-	8.3%	Bullet	2	Dec-2027
Debentures	8.25% Secured Non Convertible Debenture	502.95	-	8.3%	Bullet	3	Mar-2028
Debentures	8.15% Secured Non Convertible Debenture	237.84	225.00	8.2%	Bullet	1	Jun-2026
Unsecured Borrowings:							
Debentures	Non Convertible Debentures - I	124.93	124.87	Repo Rate plus Margin	End of Tenure	1	Mar-2026
Term Loan 1	Bank	289.98	429.96	6.3%	Quarterly	8	Mar-2027
Term Loan 2	Bank	14.83	17.49	2.1%	Quarterly	3	Apr-2026
Term Loan 3	Bank	15.16	-	SONIA + 2.8%	Bullet	1	Apr-2026
Term Loan 4	Bank	-	20.35	SONIA + Margin	Bullet	1	Apr-2024
Term Loan 5	Others	11.62	14.73	0.8%	Annual	7	Nov-2031
Term Loan 6	Bank	46.46	199.56	Repo Rate plus Margin	Quarterly	4	Mar-2026
Term Loan 7	Bank	104.17	187.38	Repo Rate plus Margin	Quarterly	6	Jul-2026
Term Loan 8	Bank	312.18	499.08	Repo Rate plus Margin	Quarterly	5	May-2026
Term Loan 9	Bank	300.00	-	Repo Rate plus Margin	Quarterly	12	Mar-2028
Term Loan 10	Bank	150.00	-	Repo Rate plus Margin	Quarterly	12	Mar-2028
Term Loan 11	Bank	150.00	-	Repo Rate plus Margin	Quarterly	20	Mar-2030
Term Loan 12	Bank	200.00	-	Repo Rate plus Margin	Quarterly	12	Apr-2028
Sales Tax Deferral	Others	47.18	62.91	Nil	Yearly	3	Jun-2027
Sub Debt	Others	-	99.90	-	-	-	-
Sub Debt	Others	154.27	168.42	9.4%	Bullet	1	Jun-2026
Sub Debt	Others	151.33	129.02	9.4%	Bullet	1	Aug-2026
Sub Debt	Others	101.90	99.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	359.38	350.00	8.9%	Bullet	1	Jun-2027
Sub Debt	Others	102.22	100.00	10.0%	Bullet	1	Jul-2026

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Nature	Lenders	As at 31-03-2025	As at 31-03-2024	Status as at 31-03-2025			
				Interest Rate	Frequency	No. of Instalments Due	Maturity
Sub Debt	Others	101.45	95.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	324.00	305.00	9.5%	Bullet	1	Jan-2028
Sub Debt	Others	201.18	200.00	9.4%	Bullet	1	Aug-2028
Sub Debt	Others	512.29	500.38	9.3%	Bullet	1	Jun-2029
Sub Debt	Others	157.63	-	9.4%	Bullet	1	Apr-2030
Perpetual Debt	Others	103.57	99.91	11.5%	Bullet	1	Nov-2027
Total non current borrowings		24,809.93	20,657.68				
Less: Current Maturities of non current borrowings		10,877.25	8,028.36				
Total non current financial liabilities (borrowings)		**13,932.68**	**12,629.32**				

Details of securities created:

- Term Loan 2 received from bank of ₹138.52 Crores is to be secured by a charge over the subsidiary's plant and machinery. At 31st March 2025, the subsidiary is in the process of creating this charge against the security.
- Term Loan and ECB loan received from Banks and Other Parties of ₹ 18,000.10 Crores inclusive of Current and Non-Current Dues (As at 31st March 2024: ₹ 15,194.72 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.
- Loan from State owned corporation - II viz., SIPCOT - First charge on the specific plant and equipment and also secured by equitable mortgage created by way of deposit of title deeds of land.
- Non Convertible Debentures of ₹ 2,625.46 Crores inclusive of Current and Non-Current Dues (As at 31st March 2024: ₹ 1,450 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

19 Provisions

Rupees in crores

Particulars	As at 31-03-2025		As at 31-03-2024	
	Current	Non-current	Current	Non-current
Provision for employee benefits:				
(a) Pension	59.38	160.48	67.05	126.60
(b) Leave salary	28.47	121.86	32.37	120.64
(c) Gratuity	1.11	2.49	0.17	0.86
Others:				
(a) Warranty	129.31	37.73	67.05	22.08
	218.27	**322.57**	**166.64**	**270.18**

Notes to the Consolidated Financial Statements (Contd.)

20 Deferred Tax Liabilities (Net)

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
The balance comprises temporary differences attributable to:		
- Depreciation	410.58	351.61
- others	18.60	19.49
Total deferred tax liability (A)	**429.18**	**371.10**
Deferred tax asset consists of :		
- tax on employee benefit expenses	38.74	54.46
- tax on warranty provision	37.99	23.95
- tax on others	66.43	96.23
Total deferred tax assets (B)	**143.16**	**174.64**
Net deferred tax liability (B)-(A)	**286.02**	**196.46**

Movement in deferred tax :

Rupees in crores

Particulars	Depreciation	Others	Total
As at 31-03-2023			208.37
Charged/(credited):			
- to profit or loss	35.10	(40.80)	(5.70)
- to other comprehensive income	-	(6.21)	(6.21)
As at 31-03-2024			**196.46**
Charged/(credited):			
- to profit or loss	58.97	(22.91)	36.06
- to other comprehensive income	-	5.68	5.68
- to subsidary acquisition	-	26.59	26.59
- relating to earlier years	-	21.23	21.23
As at 31-03-2025			**286.02**

21 Financial Liabilities - Borrowings (Current)

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Borrowings repayable on demand from banks		
Secured*	1,909.73	3,618.07
Unsecured	33.03	486.18
Short term loans:		
From banks :		
Secured	-	-
Unsecured	863.07	524.69
From others (unsecured)	-	-
Current Maturities of long term borrowings	10,877.25	8,028.36
	13,683.08	**12,657.30**

* Secured short term borrowings from banks are related to subsidiaries and details of securities created are as follows:

a) Working capital loan and cash credit of ₹ 1,792.38 crores obtained are secured by hypothecation of receivables under the financing activity of the Subsidiary.

b) Cash credit and working capital loan of ₹ 117.35 crores obtained are secured by hypothecation of receivables and inventories of the Subsidiary, both present and future.

Notes to the Consolidated Financial Statements (Contd.)

22 Trade Payables

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Dues to Micro and Small Enterprises**	45.51	62.38
Dues to enterprises other than Micro and Small Enterprises#	7,515.75	6,575.84
	7,561.26	**6,638.22**

**Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises and there is no principal and interest, due thereon and remaining unpaid as at end of the year.

#Balances include balances due to related parties [Refer Note 41(c)(ii)].

(i) Ageing for trade payable as on 31.03.2025

Rupees in crores

Particulars	Outstanding for following periods from due date of payment					
	Not Due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises (MSME)	45.51	-	-	-	-	45.51
(ii) Others	3,698.24	1,910.24	34.82	19.52	26.56	5,689.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total (i) to (iv)	3,743.75	1,910.14	34.82	19.52	26.56	5,734.79
Accrued expenses						1,826.47
Total						**7,561.26**

(ii) Ageing for trade receivable as on 31.03.2024

Rupees in crores

Particulars	Outstanding for following periods from due date of payment					
	Not Due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises (MSME)	62.38	-	-	-	-	62.38
(ii) Others	3,258.68	1,703.42	29.87	19.53	22.31	5,033.82
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total (i) to (iv)	3,321.06	1,703.42	29.87	19.53	22.31	5,096.20
Accrued expenses						1,542.02
Total						**6,638.22**

23 Other Financial Liabilities

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Interest accrued but not due on loans	9.71	186.76
Interest accrued and due on loans *	0.88	0.44
Trade deposits received	47.83	170.71
Unpaid dividends	215.14	4.07
(Not due for transfer to Investor Education and Protection Fund)		
Payables against capital goods	61.10	80.91
Hedge liability (Net)	14.57	15.29
Others	51.16	1.40
	400.39	**459.58**

* Subsidiary has made funds available with the banks and the same has been appropriated subsequently

Notes to the Consolidated Financial Statements (Contd.)

24 Other Current Liabilities

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Statutory dues	237.54	275.01
Employee related	370.36	343.31
Advance received from customers	394.01	258.28
Deferred income	27.71	29.89
	1,029.62	**906.49**

25 Revenue from Operations

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Revenue from Contract with Customers:		
i. Sale of products	36,794.88	32,590.99
ii. Sale of services	92.56	77.47
Interest income of financial enterprise	5,798.41	5,111.07
Other operating revenue[#]	1,403.16	999.29
	44,089.01	**38,778.82**

[#] Includes Government Grants of ₹ 488.48 crores (Last year ₹ 237.02 crores)

26 Other Income

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Dividend income - from other investments designated as Fair Valued through OCI	-	0.65
Interest income	27.16	22.10
Profit on sale of investment (Net)	1.02	89.47
Profit on sale of property, plant and equipment (Net)	9.15	3.38
(Loss)/Gain on valuation of investments Fair Valued through profit and loss (Net)	(78.27)	(26.93)
Gain on disposal of associate	95.14	-
Other non-operating income	15.36	17.15
	69.56	**105.82**

Notes to the Consolidated Financial Statements (Contd.)

27 Material Cost

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Cost of materials consumed		
Opening stock of raw materials and components	967.19	925.40
Add: Purchases	25,972.50	23,623.69
	26,939.69	**24,549.09**
Less: Closing stock of raw materials and components	971.25	967.19
	25,968.44	**23,581.90**
Purchases of stock-in-trade	**834.62**	**1,011.69**
Changes in inventories of finished goods, work-in-progress and stock-in-trade:		
Opening stock:		
Work-in-progress	54.64	53.99
Stock-in-trade	532.60	295.35
Finished goods	547.80	462.33
(A)	**1,135.04**	**811.67**
Closing stock:		
Work-in-progress	50.80	54.64
Stock-in-trade	680.28	532.60
Finished goods	483.18	547.80
(B)	**1,214.26**	**1,135.04**
(A)-(B)	**(79.22)**	**(323.37)**

28 Employee Benefits Expense

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Salaries, wages and bonus	3,071.09	2,830.93
Employee Share-based payment expense	33.08	-
Contribution to provident and other funds	248.05	216.07
Staff welfare expenses	228.66	250.72
	3,580.88	**3,297.72**

29 Finance Costs

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Interest on borrowings	2,042.71	1,845.35
Other borrowing cost	7.79	11.22
Interest on lease liabilities	40.45	60.54
Exchange differences	2.30	(0.51)
	2,093.25	**1,916.60**

30 Depreciation and Amortisation Expense

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Depreciation on property, plant and equipment	551.49	517.24
Amortisation on right of use asset	196.92	217.64
Amortisation on intangible assets	297.15	221.27
	1,045.56	**956.15**

Notes to the Consolidated Financial Statements (Contd.)

31 Other Expenses

Rupees in crores

Particulars		Year Ended 31-03-2025	Year Ended 31-03-2024
(a)	Consumption of stores, spares and tools	55.94	55.25
(b)	Power and fuel	118.63	104.53
(c)	Repairs - buildings	46.33	37.60
(d)	Repairs - plant and equipment	232.10	152.62
(e)	Insurance	63.08	47.58
(f)	Rates and taxes (excluding taxes on income)	42.27	14.75
(g)	Audit fees	4.35	3.31
(h)	Cost audit fees	0.08	0.08
(i)	Packing and freight charges	592.12	551.33
(j)	Advertisement and publicity	819.45	596.37
(k)	Other marketing expenses	794.12	590.95
(l)	Foreign exchange loss (Net)	12.65	7.85
(m)	Loss allowance for expected credit losses relating to loans	1,295.33	1,127.04
(n)	Corporate social responsibility expenditure	50.00	40.00
(o)	Contributions to electoral trust/Bonds	13.00	40.00
(p)	Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹ 10 lakh, whichever is higher)	2,996.12	2,363.60
		7,135.57	**5,732.86**

32 Tax Expense and Reconciliation

(a) Tax expense

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Current tax:		
Current tax on profits for the year	1,192.80	1,012.63
Adjustments for current tax of prior periods	-	-
(A)	**1,192.80**	**1,012.63**
Deferred tax:		
Decrease / (increase) in deferred tax assets	(80.83)	(107.50)
(Decrease) / increase in deferred tax liabilities	36.06	19.25
(B)	**(44.77)**	**(88.25)**
(A + B)	**1,148.03**	**924.38**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Rupees in crores

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
Profit before income tax expense	**3,527.84**	**2,702.92**
Tax expense at 25.168% (Previous year 25.168%)	887.89	680.27
Add/(Less): Taxes impact on		
- Tax on income chargeable at lower rates	(32.97)	(39.40)
- Expenses not admissible for deduction	37.93	34.64
- Timing and Tax rate difference on subsidiaries losses	279.72	234.49
- Others	(24.54)	14.39
	1,148.03	**924.38**

Notes to the Consolidated Financial Statements (Contd.)

33 Fair Value Measurements

Rupees in crores

Particulars	As at 31-03-2025			As at 31-03-2024		
	FVTPL*	FVTOCI*	Amortised cost	FVTPL*	FVTOCI*	Amortised cost
Financial assets						
Investments						
- Equity instruments	233.19	194.15	-	163.19	151.09	-
- Preference shares	-	225.18	-	-	74.67	12.70
- Other non current investments	-	37.43	-	-	32.79	-
- Debt Instruments	78.54	-	311.76	85.18	-	139.02
Trade receivables	-	-	1,716.75	-	-	1,839.42
Loans (receivable from financing activity)	-	-	26,300.47	-	-	25,471.81
Fixed deposit with banks	-	-	8.67	-	-	27.00
Cash and cash equivalents	-	-	4,115.00	-	-	2,355.80
Earmarked balances with banks	-	-	264.66	-	-	45.02
Derivative financial asset	-	15.73	-	-	90.67	-
Other financial assets	-	-	468.38	-	-	305.42
Total financial assets	**311.73**	**472.49**	**33,185.69**	**248.37**	**349.22**	**30,196.19**
Financial liabilities						
Borrowings	-	-	27,615.76	-	-	25,286.62
Trade payables	-	-	7,561.26	-	-	6,638.22
Derivative financial liability	-	14.57	-	-	15.29	-
Lease liability	-	-	992.95	-	-	719.08
Other financial liability	-	-	385.82	-	-	444.29
Total financial liabilities	**-**	**14.57**	**36,555.79**	**-**	**15.29**	**33,088.21**

* FVTPL - Fair Valued Through Profit and Loss FVTOCI - Fair Valued Through Other Comprehensive Income

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and that are measured at amortised cost, for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

Rupees in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4	233.19	-	78.54	311.73
Financial Investments at FVTOCI	4	1.20	37.43	418.13	456.76
Derivatives	6,14	-	15.73	-	15.73
		234.39	**53.16**	**496.67**	**784.22**
Financial liabilities					
Derivatives	23	-	14.57	-	14.57
		-	**14.57**	**-**	**14.57**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Rupees in crores

As at 31-03-2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Debt instruments	4	-	-	311.76	311.76
		-	**-**	**311.76**	**311.76**
Financial liabilities					
Borrowings	18,21	-	-	27,615.76	27,615.76
		-	**-**	**27,615.76**	**27,615.76**

Notes to the Consolidated Financial Statements (Contd.)

Financial assets and liabilities measured at fair value - recurring fair value measurements

Rupees in crores

As at 31-03-2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL	4	163.19	-	85.18	248.37
Financial Investments at FVTOCI	4	1.33	32.79	224.43	258.55
Derivatives	6,14	-	90.67	-	90.67
		164.52	**123.46**	**309.61**	**597.59**
Financial liabilities					
Derivatives	23	-	15.29	-	15.29
		-	**15.29**	**-**	**15.29**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Rupees in crores

As at 31-03-2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments:					
Debt instruments	4	-	-	139.02	139.02
		-	**-**	**139.02**	**139.02**
Financial liabilities					
Borrowings	18,21	-	-	25,286.62	25,286.62
		-	**-**	**25,286.62**	**25,286.62**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

There are no transfers among three levels.

The Company's policy is to recognise transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value (Level 2)

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Notes to the Consolidated Financial Statements (Contd.)

(iii) Fair value measurements using significant unobservable inputs (Level 3)

Particulars	Unlisted Equity Shares	Preference shares	Debt instruments	Total
As at 31-03-2023	407.40	16.33	49.12	472.85
Additions / (deletions)	4.50	94.36	-	98.86
Investment in associate - accounted using equity method	(76.58)	-	-	(76.58)
Reclassified from Level 3 to Level 1	(191.92)	-	-	(191.92)
Gains/(losses) recognised in other comprehensive income	6.40	-	-	6.40
As at 31-03-2024	**149.80**	**110.69**	**49.12**	**309.61**
Additions / (deletions)	22.99	114.49	29.42	166.90
Gains/(losses) recognised in other comprehensive income	20.16	-	-	20.16
As at 31-03-2025	**192.95**	**225.18**	**78.54**	**496.67**

Rupees in crores

Particulars	Fair value as at		Significant unobservable input		Probability weighted range for the year ended	
	31-03-2025	31-03-2024			31-03-2025	31-03-2024
Preference Shares	225.18	74.67	a)	Earnings growth rate	1-3%	1-3%
			b)	Risk adjusted discount rate	8%	8%
Debt Instruments	78.54	85.18	a)	Earnings growth rate	1-3%	1-3%
			b)	Risk adjusted discount rate	8%	8%
Unquoted Equity shares*	192.95	149.76	a)	Earnings growth rate	1-3%	1-3%
			b)	Risk adjusted discount rate	8%	8%

* Sensitivity is not significant.

(iv) Valuation processes

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset. Earnings growth factor of preference shares are based on cash flow projections of future earnings of the Company and unlisted equity securities are estimated based on market information for similar types of companies. Risk adjustments have been derived based on the market risk premium adjusted for companies relevant financial data.

(v) Fair value of financial assets and liabilities measured at amortised cost

Rupees in crores

Particulars	31-03-2025		31-03-2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments:				
Debt instruments	311.76	311.76	139.02	139.02
	311.76	**311.76**	**139.02**	**139.02**
Financial liabilities				
Borrowings	27,615.76	27,615.76	25,286.62	25,286.62
	27,615.76	**27,615.76**	**25,286.62**	**25,286.62**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for preference shares and other debt instruments were calculated based on cash flows discounted using a current lending rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Consolidated Financial Statements (Contd.)

34 Financial Risk Management

The Group's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Credit risk	Cash, Cash equivalents and Trade receivables	Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forward-looking information (more specifically described below). In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days, when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
	a. Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
	b. Domestic Trade Receivables	Domestic sales to the Dealers are based on advance payments received through banking channels or through inventory funding facilities availed by them from the banks. The Company extends limited credit to the dealers and such extension of credit is based on dealers' credit worthiness, ability to repay and past track record. The Company has extensive reporting and review system to constantly monitor the outstandings.
	c. Export Trade Receivables	The Company's export business is mostly based on Letters of credit. Export receivables are also covered through Insurance with ECGC Limited.
Liquidity risk	INR denominated borrowings [other than soft loans given by Govt. Authorities]	The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The Company works out a detailed annual operating plans to assess the fund requirements - both short term and long term. Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. Company has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. For long term fund requirements, Company targets various options such as rupee term loan, external commercial borrowing, debentures etc. The Company obtains a credit rating for the various borrowing facilities on annual basis. Company constantly monitors the free cash flow from operations to ensure that the borrowing is minimized.
Market risk	(i) Foreign exchange	The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has a forex management policy which is duly approved by the Board. The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.
	a. Export trade receivables and Import Payables	The company has a forex management policy duly approved by the Board. The Company's policy is to hedge most of its net currency exposure. Company reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.
	b. Foreign currency denominated borrowings	The Company has hedged its borrowings by covering the principal repayments.
	(ii) Interest rate Foreign currency denominated borrowings	The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company's policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the Consolidated Financial Statements (Contd.)

(A) Credit risk (except Loans from financing activity covered under Note: 35)

Basis of recognition of expected credit loss provision

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

As at 31-03-2025

a) Expected credit loss for investments, loans and other financial assets

Rupees in crores

Particulars	Internal rating	Asset/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	311.76	0%	-	311.76
	1	Other financial assets	468.38	0%	-	468.38

b) Expected credit loss for trade receivables under simplified approach

Rupees in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,208.13	552.32	1,760.45
Expected loss rate	1%	6%	2%
Expected credit losses	8.96	34.74	43.70
Carrying amount of trade receivables	1,199.17	517.58	1,716.75

As at 31-03-2024

a) Expected credit loss for investments, loans and other financial assets

Rupees in crores

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	2	Investments at amortised cost	139.02	0%	-	139.02
	1	Other financial assets	305.42	0%	-	305.42

Notes to the Consolidated Financial Statements (Contd.)

b) Expected credit loss for trade receivables under simplified approach

Rupees in crores

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	1,243.54	644.22	1,887.76
Expected loss rate	-	8%	3%
Expected credit losses	-	48.34	48.34
Carrying amount of trade receivables	1,243.54	595.88	1,839.42

Reconciliation of loss allowance provision - Trade receivables

Loss allowance 01-04-2023	49.49
Changes in loss allowance	(1.15)
Loss allowance 31-03-2024	48.34
Changes in loss allowance	(4.64)
Loss allowance 31-03-2025	43.70

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	7,227.63	6,016.41
- Expiring beyond one year (bank loans)	-	43.63

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR except for one subsidary in USD and have an average maturity ranging from 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

As at 31-03-2025

Rupees in crores

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	3,009.21	3,718.42	8,275.19	15,083.29	154.73	30,240.84
Lease Liabilities	61.50	63.09	116.53	755.19	36.80	1,033.11
Trade payables	7,561.26	-	-	-	-	7,561.26
Other financial liabilities	385.82	-	-	-	-	385.82
Derivatives	14.57	-	-	-	-	14.57

As at 31-03-2024

Rupees in crores

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	2,563.72	2,402.25	7,691.33	12,094.42	536.61	25,288.33
Lease Liabilities	54.93	54.25	106.22	545.25	58.95	819.60
Trade payables	6,638.22	-	-	-	-	6,638.22
Other financial liabilities	444.29	-	-	-	-	444.29
Derivatives	15.29	-	-	-	-	15.29

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Consolidated Financial Statements (Contd.)

(C) Market risk

i) Foreign exchange risk

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Rupees in crores

Particulars	As at 31-03-2025		As at 31-03-2024	
Exposure in foreign currency	USD	EUR	USD	EUR
Financial assets				
Trade receivables	1,278.36	56.39	1,544.44	87.45
Investments	248.32	49.70	146.67	8.46
Derivative assets				
Foreign exchange forward contracts				
Sell foreign currency	(711.31)	(40.45)	(888.20)	(87.45)
Financial liabilities				
Foreign currency loan	629.36	-	1,123.61	-
Trade payables	372.22	17.67	135.70	15.25
Derivative liabilities				
Foreign exchange forward contracts				
Buy foreign currency	-	-	8.46	-
Principal swap				
Buy foreign currency	300.13	-	(833.00)	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Rupees in crores

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	As at 31-03-2025	As at 31-03-2024	As at 31-03-2025	As at 31-03-2024
USD sensitivity				
INR/USD increases by 10%	37.03	60.04	(45.46)	(56.84)
INR/USD decreases by 10%	(37.03)	(60.04)	45.46	56.84
SGD/USD increases by 10%	2.72	11.72	11.91	4.85
SGD/USD decreases by 10%	(2.72)	(11.72)	(11.91)	(4.85)
IDR/USD increases by 10%	1.89	13.54	-	-
IDR/USD decreases by 10%	(1.89)	(13.54)	-	-
EURO sensitivity				
INR/EURO increases by 10%	2.61	4.95	(2.73)	(5.76)
INR/EURO decreases by 10%	(2.61)	(4.95)	2.73	5.76
SGD/EURO increases by 10%	3.28	-	0.07	0.56
SGD/EURO decreases by 10%	(3.28)	-	(0.07)	(0.56)

* Holding all other variables constant.

ii) Interest rate risk

Domestic INR borrowings are based on fixed rate of interest. Normally for short term borrowings the marginal cost of lending rate of the bank is followed. Whenever, Company resorts to short term borrowing through Commercial Paper the rate of interest is fixed in advance. In respect of foreign currency borrowings for longer period the interest rates are covered through Interest Rate Swaps (IRS).

Notes to the Consolidated Financial Statements (Contd.)

The Amount disclosed in the table are the contractual undiscounted cash flows.

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Variable rate borrowings	19,548.53	15,522.78
Fixed rate borrowings	8,074.13	9,765.53

Rupees in crores

	Impact on profit after tax	
Sensitivity	As at 31-03-2025	As at 31-03-2024
Increase in interest rates by 100 bps	(131.87)	(102.14)
Decrease in interest rates by 100 bps	131.87	102.14

iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk from investments in equity securities, the Company diversifies its portfolio. The impact of the changes in price risk is not material.

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at 31-03-2025

Rupees in crores

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge							
Foreign exchange forward contracts	751.76	-	15.73	14.57	Apr'25 to Dec'25	1.16	(1.16)
Foreign currency loan							-
Principal swap	-	300.13	-	-	Apr'25 to Dec'25	-	-
Interest rate swap	-	300.13	-	-		-	-

b) Disclosure of effects of hedge accounting on financial position as at 31-03-2024

Rupees in crores

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Cash flow hedge:							
Foreign exchange forward contracts, PCFC	975.65	(8.46)	-	15.29	Apr'24 to Dec'24	(15.29)	15.29
Foreign currency loan							
Principal swap	-	833.00	90.67	-	June'24 to Dec'24	90.67	(90.67)
Interest rate swap	-	833.00	-	13.98		-	-

Notes to the Consolidated Financial Statements (Contd.)

ii) Disclosure of effects of hedge accounting on financial performance :

a) for the year ended 31-03-2025:

Rupees in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange risk/ POS/ IRS	(7.24)	-	(3.77)	Revenue and Borrowing cost

b) for the year ended 31-03-2024:

Rupees in crores

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange risk/ POS/ IRS	(17.32)	-	(1.35)	Revenue and Borrowing cost

35 Financial Risk Management Relating to Loan Receivable from Financing Activity

(A) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Company monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Company does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of ECL.

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on Number of Days past due information. The amount represents gross carrying amount.

Rupees in crores

Particulars	March 31, 2025	March 31, 2024
Gross Carrying value of Loans		
Stage-1 (Less than 30 Days)	25,068.40	24,359.13
Stage-2 (30-90 Days)#	1,329.68	1,305.94
Stage-3 (More than 90 Days)*	782.97	742.80
Total Gross Carrying value on Reporting Date	**27,181.05**	**26,407.87**

#Includes restructured contracts under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/31/DOR. STR.REC.11 /21.04.048/2021-22 dated 5 May 2021 even though days past due is less than and equal to 30 days on the reporting date.

* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP. BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

Other financial assets

Credit risk with respect to other financial assets are extremely low except "Other Financial Assets - Non Related Parties". Based on the credit assessment the historical trend of low default is expected to continue. No provision for Expected Credit Loss (ECL) has been created for Other financial Assets except full provision on "Other Financial Assets - Non Related Parties".

Credit Quality

The Company has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Notes to the Consolidated Financial Statements (Contd.)

Inputs considered in the ECL model

In assessing the impairment of loans assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Company categorises loan assets into stages based on the Days Past Due status:

- Stage 1: 30 Days Past Due
- Stage 2: 31-90 Days Past Due
- Stage 3: More than 90 Days Past Due

Assumptions considered in the ECL model

The financial services business has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all loans

Estimation Technique

The financial services business has applied the following estimation technique in its ECL model :

- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.
- Probability of default for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.
- Probability of default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenor.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals. There is no change in estimation techniques or significant assumptions during the reporting period.

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

In accordance with the board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Group has offered moratorium upto six months on the payment of installments falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers. The Group has extended One-Time Resolution framework as for COVID-19-related Stress to eligible customers as per applicable RBI guidelines and as per the policy of the Company. The Group has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 in Stage 3 and with regard to restructured contracts done under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/31/DOR.STR. REC.11 /21.04.048/2021-22 dated 5 May 2021 in Stage 2 irrespective of days past due status on the reporting date.

Group's assessments of impairment loss allowance on its loans are subject to a number of management judgements and estimates. Since the Group's impairment loss allowance estimates are inherently uncertain, actual results may differ from these estimates.

Notes to the Consolidated Financial Statements (Contd.)

Definition of default

The Company considers a financial instrument is in defaulted when the borrower becomes 90 days past due on its contractual payments. The financial services business considers Loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

Impairment loss

The expected credit loss allowance provision is determined as follows:

Rupees in crores

	Stage 1	Stage 2	Stage 3	Grand Total
Gross Balance as at March 31, 2025	25,068.40	1,329.68	782.97	27,181.05
Expected Credit Loss	210.70	244.71	425.17	880.58
Expected Credit Loss Rate	0.84%	18.40%	54.30%	3.24%
Net of Impairment Provision	24,857.70	1,084.97	357.80	26,300.47

Rupees in crores

	Stage 1	Stage 2	Stage 3	Grand Total
Gross Balance as at March 31, 2024	24,359.13	1,305.94	742.80	26,407.87
Expected Credit Loss	289.49	253.53	393.04	936.06
Expected Credit Loss Rate	1.19%	19.41%	52.91%	3.54%
Net of Impairment Provision	24,069.64	1,052.41	349.76	25,471.81

Reconciliation of Expected Credit Loss

Rupees in crores

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at April 01, 2023	**264.75**	**138.78**	**306.54**	**710.07**
Transfer from Stage 1	(15.17)	8.74	18.25	11.82
Transfer from Stage 2	13.19	(55.32)	41.91	(0.22)
Transfer from Stage 3	8.78	4.45	(13.17)	0.06
Loans that have derecognised during the period	(39.36)	(48.01)	(113.34)	(200.71)
New Loans originated during the year	114.54	59.15	49.21	222.90
Net Remeasurement of Loss Allowance	(57.24)	145.74	103.64	192.14
Balance as at March 31, 2024	**289.49**	**253.53**	**393.04**	**936.06**
Transfer from Stage 1	(19.07)	8.66	10.42	0.01
Transfer from Stage 2	13.19	(117.15)	103.96	-
Transfer from Stage 3	5.27	2.57	(7.84)	-
Loan that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.54)
New Loans originated during the year	91.52	47.32	50.74	189.58
Net Remeasurement of Loss Allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at March 31, 2025	**210.70**	**244.71**	**425.17**	**880.58**

Concentration of Credit Risk

The business manages concentration of risk primarily by geoghraphical region. The following details show the geographical concentrations of the loans at the year end:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Carrying value		
Concentration by geographical region in India		
South	11,175.32	10,637.99
West	6,927.68	7,256.11
East	4,736.87	4,252.84
North	4,341.18	4,260.93
Total Loans as at reporting period	**27,181.05**	**26,407.87**

Notes to the Consolidated Financial Statements (Contd.)

36 Capital Management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The group's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
Net debt	23,500.76	22,930.82
Total equity	8,503.38	6,783.51
Net debt to equity ratio	**2.76**	**3.38**

The company also monitors Interest coverage ratio :

Company's earnings before interest and taxes (EBIT) divided by Interest

The Company's strategy is to maintain an optimum interest coverage ratio. The Interest coverage ratio are as follows:

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
EBIT (before exceptional item)	2,708.76	2,211.35
Interest	185.87	210.00
Interest coverage ratio (times)	**14.57**	**10.53**

(b) Dividends

Rupees in crores

Particulars	As at 31-03-2025	As at 31-03-2024
(i) Equity shares		
Interim dividends for the year ended 31-03-2025 of ₹ 10.00 (31-03-2024 of ₹ 8.00) per fully paid share	475.09	380.07
(iii) Dividends not recognised at the end of the reporting period	-	-

37 Business Combination

On 1st October 2015, our Subsidiary Sundaram Auto Components Limited (SACL) acquired an automobile seat manufacturing business at Nalagarh, Himachal Pradesh to expand its business

On 7th September 2017, the Company acquired 16,20,000 (81%) equity shares of M/s. TVS Motor Services Limited, Chennai. This would further strengthen the retail financing for the customers of the Company through its subsidiaries.

On 16th September 2021, 91,20,858 (80%) equity shares of The GO Corporation (The GO AG) and on 27th January 2022, 1,14,658 (75%) equity shares of Swiss E-Mobility Group (Holding) AG (SEMG) were acquired.

During the year ended March 31, 2022, our subsidiary TVS Motor (Singapore) Pte. Ltd. acquired majority stake in two E-Mobility companies in Europe to establish its presence in e-personal mobility space.

On 1st April 2022, 70 (70%) equity shares of EBCO Limited, UK were acquired. Further on 12th April 2022, (100%) equity shares of Alexand'Ro Edouard'O Passion Vélo Sàrl ("Passion Vélo"), Germany were acquired through its subsidiary Swiss E-Mobility Group (Holding) AG (SEMG).

Notes to the Consolidated Financial Statements (Contd.)

During the year ended March 31, 2023, our subsidiary TVS Motor (Singapore) Pte. Ltd. acquired majority stake in two E-Mobility companies in Europe to further strengthen its presence in e-personal mobility space.

On 23rd December 2024, the Company has acquired further stake of 39.11% in the equity share capital in DriveX Mobility Private Limited, Coimbatore (DriveX) and thereby the Company's holding in DriveX has been increased to 87.38%; consequent to this acquisition, DriveX has become the subsidiary of the Company.

Details of the purchase consideration and goodwill are follows:

Rupees in crores

Particulars	Business acquired by SACL	TVS Motor Services	GO AG	SEMG	EBCO	Passion Velo	Drive-X	Total
Consideration transferred	9.00	1.62	131.46	488.60	11.64	23.96	97.69	763.97
Non-controlling interest in the acquired entity	-	136.05	(1.12)	55.52	(1.32)	-	0.38	189.50
Acquisition date fair value of previously held equity interest	-	0.38	-	-	-	-	120.55	120.93
Less : Net identifiable assets acquired	6.80	(48.06)	71.23	222.07	(4.40)	11.1	82.04	340.78
Goodwill on consolidation	**2.20**	**186.11**	**59.11**	**322.05**	**14.72**	**12.86**	**136.58**	**733.63**
Less: Derecognition of Goodwill upon sale of seat manufacturing business	(2.20)	-	-	-	-	-	-	(2.20)
Total goodwill recognised in books								**731.43**

The goodwill is attributable to the expected synergies on acquisition of the financial services business and e-personal mobility business.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business is allocated to the Group's cash generating units (CGU) or groups of CGUs expected to benefit from the synergies arising from the business combination.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rate on the basis of carrying amount of each asset in CGU. An impairment loss on goodwill is recognized in net profit in the Consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

Company assessed impairment of goodwill based on the expected earnings growth of the acquired business.

38 Discontinued Operations- Ind AS 105

During the year 2024-25, the Sundaram Auto Components Ltd (subsidiary) entered in to Business Transfer Agreement with Pricol precision products private limited on 2nd December 2024 and with Uno Minda Limited on 22nd March 2025 to transfer the Injection moulding business and seating business, respectively, by way of slump sale

On 31st January 2025, the subsidiary company completed the sale and transferred its Moulding business as outlined in the Business Transfer agreement and recognized pre-tax gain of ₹ 0.98 Cr for the period ending 31st March 2025. This gain has been reported under discontinued operations.

Subsequently, on 31st March 2025, the subsidiary company consumated the sale and transfer of seating business as outlined in the Business transfer agreement and recognized pre tax gain of ₹ 12.53 Cr for the period ending 31st March 2025, also included under discontinued operations.

Rupees in crores

	Particulars	As at 31st March 2025	As at 31st March 2024
1	**Assets and Liabilities disposed through slump sale**		
	Group of Assets disposed through slump sale	338.97	400.95
	Liabilities associated with the group of assets disposed through slump sale	142.06	254.84
2	**Major Class of Assets disposed through slump sale**		
	Property, plant and equipment	137.22	204.68

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Particulars	As at 31st March 2025	As at 31st March 2024
Capital work in progress	3.48	2.58
Other Intangible assets	17.18	13.67
Right of use of assets	8.99	10.92
Inventories	46.52	44.96
Other Financial assets	6.61	8.04
Trade receivables	102.85	96.79
Other assets	16.11	19.31
Total assets	**338.97**	**400.95**
Trade payables	109.30	99.41
Other liabilities and provision	32.76	155.43
Total liability	**142.06**	**254.84**
Net assets	**196.90**	**146.11**

Particulars	As at 31st March 2025	As at 31st March 2024
3 Financial performance related to Discontinued operations		
Revenue and other Income	744.64	764.31
Less: Expenses	722.16	729.03
Profit before tax	**22.48**	**35.28**
Exceptional items (net)	-	-
Profit before tax	**22.48**	**35.28**
Tax expenses of discontinued operations - Current tax	2.63	5.79
Tax expenses of discontinued operations - Deferred tax	(10.05)	4.55
Profit after tax	**29.91**	**24.94**

Particulars	As at 31st March 2025	As at 31st March 2024
5 Cash flow disclosure with respect to Discontinued operartions		
Cash and cash equivalents at the beginning of the year	4.44	(1.85)
Cash flow from Operating activities	20.73	58.97
Cash flow from Investing activities	212.18	288.91
Cash flow from Financing activities	(202.99)	(339.04)
Net cash flow generated from Discontinued operations	**34.36**	**6.99**

39 Employee Benefit Obligations

Defined benefit plans as per actuarial valuation

Rupees in crores

Particulars	Funded Plan			Unfunded Plans
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
As at 01-04-2023	227.44	(234.51)	(7.07)	156.32
Balance from Incumbent subsidiary:	-	-	-	-
Current service cost	42.30	-	42.30	-
Interest expense/(income)	17.53	(17.04)	0.49	11.87
Total amount recognised in profit or loss	**59.82**	**(17.04)**	**42.79**	**11.87**
Remeasurements				

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Particulars	Funded Plan			Unfunded Plans
	Gratuity			Pension
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
Return on plan assets, excluding amounts included in interest expense/(income)	-	6.84	6.84	-
(Gain)/loss from change in financial assumptions	4.61	-	4.61	1.34
Experience (gains)/losses	(0.41)	-	(0.41)	16.63
Total amount recognised in other comprehensive income	**4.20**	**6.84**	**11.04**	**17.97**
Employer contributions	-	(50.48)	(50.48)	-
Benefit payments	(18.62)	18.62	-	(4.72)
As at 31-03-2024	**272.84**	**(276.57)**	**(3.73)**	**181.44**
Current service cost	52.03	-	52.03	0.30
Interest expense/(income)	19.13	(18.49)	0.64	12.70
Total amount recognised in profit or loss	**71.16**	**(18.49)**	**52.67**	**13.00**
Remeasurements				
Return on plan assets, excluding amounts included in interest expense/(income)	-	(5.31)	(5.31)	-
(Gain)/loss from change in financial/ demographic assumptions	7.14	-	7.14	11.94
Experience (gains)/losses	(9.42)	-	(9.42)	0.27
Total amount recognised in other comprehensive income	**(2.28)**	**(5.31)**	**(7.59)**	**12.21**
Employer contributions	-	(43.19)	(43.19)	-
Benefit payments	(28.72)	28.72	-	(6.62)
Transfer of asset and liabilities on account of slump sale	7.16	6.69	0.47	-
As at 31-03-2025	**305.84**	**(308.15)**	**(2.31)**	**200.03**

Certain Companies in the group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees and have created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Statement of Profit and Loss.

The significant actuarial assumptions were as follows:

Particulars	As at 31-03-2025	As at 31-03-2024
Discount rate (Gratuity)	6.34% to 6.67%	6.95% to 7.0%
Discount rate (Pension)	6.34% to 6.44%	6.95% to 7.0%
Salary growth rate	5.5% to 6%	5.5% to 6%
Pre-retirment Mortality rate	IALM (2006-08) Ultimate	
Post retirment Mortality rate	LIC Ann (1996-98)	

Assumptions regarding future mortality for pension are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 58.

(i) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Rupees in crores

Particulars	Impact on defined benefit obligation - Gratuity					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended					
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Discount rate	0.50%	0.50%	294.47	262.44	318.02	283.24
Salary growth rate	0.50%	0.50%	318.07	283.33	294.32	262.27
Mortality	5.00%	5.00%	305.85	272.51	305.78	272.42

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Particulars	Impact on defined benefit obligation - Pension					
	Change in assumption		Increase in assumption		Decrease in assumption	
	Year ended					
	31-03-2025	31-03-2024	31-03-2025	31-03-2024	31-03-2025	31-03-2024
Discount rate	1.00%	1.00%	181.54	164.38	221.88	201.63
Salary growth rate	1.00%	1.00%	222.98	202.73	180.41	163.27
Mortality	5.00%	5.00%	198.19	179.95	201.97	183.02

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(ii) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Changes in bond: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yield increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

(iii) Defined contribution plans

The Company's contribution to defined contribution plan i.e., provident fund of ₹ 102 crores (previous year ₹ 86.15 crores) has been recognised in the Statement of Profit and Loss.

40 Employee Stock Option Plan

(A) Parent (TVS Motor Company) Employee Stock Option Plan

The Parent Company introduced TVS Motor Company Employee Stock Option Plan to provide equity-based incentives to the eligible employees of the Parent Company. The plan is administered by the Nomination and Remuneration Committee of the Parent Company through a Trust.

A maximum of 11,87,717 options may be granted under the Plan. Each option granted under the plan entitles the holder to one equity share of the Parent Company at an exercise price, which is approved by the Nomination and Remuneration Committee (NRC).

As per the plan, NRC grants options to the employees of the Parent Company. The vesting period of the option is one to ten years from the date of grant. Options granted under the Scheme can be exercised within a period of four years from the date of vesting.

Accordingly, NRC granted 3,51,000 options under the Plan and the Trust acquired shares from secondary market for the purpose of implementation of the Plan.

The movement in options are as below:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Outstanding at the beginning of the year	-	-
Options granted during the year	3,51,000	-
Options forfeited during the year	-	-
Options exercised during the year	-	-
Outstanding at the end of the year	3,51,000	-
Options exercisable at the end of the year	-	-

Notes to the Consolidated Financial Statements (Contd.)

Fair value measurement

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The key inputs used in Black-Scholes Model for calculating fair value of options under the scheme as on the date of grant are as follows:

The weighted average remaining contractual life of the options outstanding as of 31st March 2025 was 4 months.

The fair value of the options is estimated on the date of grant using the Black-Scholes Model with the following assumptions:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
No of options granted	3,51,000	-
Dividend yield (%)	0.39%	-
Implied volatility factor (%)	24.66%	-
Risk free rate (%)	7.04%	-
Expected life of options (years)	1.12	-
Weighted average fair value of options per share (₹)	1263.66	-
Weighted average share price (₹)	**1858.95**	**-**

(B) Subsidiary - TVS Credit Services Limited Employee Stock Option Plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the TVS Credit Services Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the TVS Credit Services Company which are convertible to one equity share of the Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period.

Details of ESOP granted during the year is as follows:

Plan	No of options granted	Grant Date	No of options outstanding	Vesting condition and vesting period	Exercise Price	Weighted average fair value of the options at the grant date
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	₹ 440	₹ 178.45

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatality*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	₹ 178.45	₹ 461.54	₹ 440	33.16%	4	-	6.86%

* Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price

For the year ended 31st March 2025, the company has accounted expense of ₹ 0.27 crores as employee benefits expense (note no. 28) on the aforementioned employee stock option plan (Previous year: Nil)

Notes to the Consolidated Financial Statements (Contd.)

Movement in ESOP

Particulars	As at 31st March 2025		As at 31st March 2024	
	No of options	Weighted average fair value of the options at the grant date (₹ per share)	No of options	Weighted average fair value of the options at the grant date (₹ per share)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,55,400	178.45	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,55,400	178.45	-	-
Exercisable at the end of the year	-	-		-

Particulars	As at 31st March 2025	As at 31st March 2024
Weighted average remaining contractual life of options outstanding as at year end	1,321	-

41 Related Party Disclosure

(a) (i) Related parties and their relationship where control exists

Holding company:

TVS Holdings Limited, Chennai

Subsidiaries:

Sundaram Auto Components Limited, Chennai
TVS Motor Services Limited, Chennai
TVS Credit Services Limited, Chennai
TVS Digital Limited , Chennai (Formerly known as TVS Housing Limited) (Upto 15.09.2024)
TVS Electric Mobility Ltd, Chennai
DriveX Mobility Private Limited, Coimbatore (w.e.f 23.12.2024)
Harita ARC Services Private Limited, Chennai
Harita Two Wheeler Mall Private Limited, Chennai
TVS Housing Finance Private Limited, Chennai
TVS Motor (Singapore) Pte. Limited, Singapore (TVSM Singapore)
PT TVS Motor Company Indonesia, Jakarta
TVS Motor Company (Europe) B.V., Amsterdam
TVS Motor Company DMCC (from 27.06.2024)
The GO Corporation, Switzerland (GO AG),
Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)
The Norton Motorcycle Co Limited, UK
TVS Digital Pte Ltd, Singapore
EBCO Limited, UK
Celerity Motor GmbH, Germany
EGO Movement Stuttgart, GmbH, Germany
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich
Colag E-Mobility GmBH, Germany, Nuremberg
Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland
Swiss E-mobility Group (österreich) Gmbh, Austria

Associate company:

Ultraviolette Automotive Private Limited, Bengaluru
Indian Foundation for Quality Management, Bengaluru [Upto 10.03.2025]
DriveX Mobility Private Limited, Coimbatore (Upto 22.12.2024)

Notes to the Consolidated Financial Statements (Contd.)

(ii) Other related parties and their relationship where transaction exists

Fellow Subsidiaries:

TVS Emerald Limited (Formerly known as Emerald Haven Realty Ltd), Chennai (name change w.e.f 27.09.2024) - (up to 31.12.2024)

Emerald Haven Development Limited, Chennai - (up to 31.12.2024)

TVS Digital Limited (formerly known as TVS Housing Limited) (w.e.f 16.09.2024)

Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:

Predictronics Corp, USA

TVS Training & Services Limited, Chennai

TVS Motor (Singapore) Pte. Ltd, Italy Branch

TVS Motor (Singapore) Pte. Ltd, Philippines Branch

TVS Motor (Singapore) Pte. Ltd, Australia Branch

(iii) Enterprises under Common control:

Sundaram-Clayton Limited, Chennai (Formerly known as Sundaram Clayton DCD Limited)

TVS Emerald Limited (Formerly known as Emerald Haven Realty Ltd), Chennai (name change w.e.f 27.09.2024) (Enterprises in which one of the promoter group holding control w.e.f 01.01.2025)

Emerald Haven Development Limited, Chennai - (Subsidiary of TVS Emerald Limited)

(iv) Enterprises in which directors are interested:

Dua Associates, Delhi (upto 13.07.2024)

Dua Consulting Private Limited, Delhi (upto 13.07.2024)

McCann-Erickson (India) Private Limited, Delhi (upto 13.07.2024)

Trichur Sundaram Santhanam & Family Private Limited, Chennai

T.V Sundram Iyengar & Sons Private Limited, Madurai

TVS Organics Private Limited

TVS Automobile Solutions Private Limited

TVS Cheema Scholarship Foundation

Veeyes Charities Foundation

Key Management personnel

Executive Directors:

Mr. Venu Srinivasan, Chairman Emeritus & Managing Director

Mr. Sudarshan Venu, Managing Director

Mr. K N Radhakrishnan, Director & Chief Executive Officer

Non-executive Directors:

Independent Directors:

Mr. Shailesh Haribhakti

Dr. Deepali Pant Joshi

Mr. Vijay Sankar

Mr. B Sriram

Mr. C R Dua (Upto 13.07.2024)

Mr. H K Singh (Upto 13.07.2024)

Mr. Kuok Meng Xiong (Upto 06.08.2024)

Non-Independent Directors:

Prof Sir Ralf Dieter Speth

Dr. Lakshmi Venu (Upto 06.08.2024)

Chief Financial Officer

Mr. K. Gopala Desikan

Company Secretary

Mr. K S Srinivasan

Post Employment benefit plans:

TVS Motor Company Employees' Gratuity Fund

TVS Motor Company Employees' Provident Fund

Others:

Srinivasan Services Trust

TVSM Employees Stock Option Trust

Notes to the Consolidated Financial Statements (Contd.)

(b) Transactions with related parties: (Transactions from the date of becoming/ upto the date of ceasing to be related party)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(i)	**Purchase of goods (Including sales reversal)**		
	- Holding company		
	TVS Holdings Limited, Chennai	-	126.75
	- Associate / joint venture		
	Ultraviolette Automotive Private Limited, Bengaluru	0.85	0.67
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	426.83	255.24
	- Enterprises in which directors are interested		
	TVS Organics Private Limited	0.90	0.69
	Adwaith Lakshmi Industries Private Limited	-	0.01
(ii)	**Sale of goods**		
	- Holding company		
	TVS Holdings Limited, Chennai	113.76	471.96
	- Associate Companies		
	DriveX Mobility Private Limited, Coimbatore	0.21	0.06
	- Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:		
	TVS Motor (Singapore) Pte. Ltd, Italy Branch	14.23	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.60	-
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	20.49	9.60
(iii)	**Purchase of assets**		
	- Holding company		
	TVS Holdings Limited, Chennai	7.42	39.00
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	108.00	-
	- Enterprises in which directors are interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	1.87	-
	- Key Management Perssonel	18.71	-
(iv)	**Sale of assets**		
	- Associate company		
	Emerald Haven Realty Limited, Chennai	-	2.58
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	-	0.29
	- Enterprises in which directors are interested		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.35	-
(v)	**Rendering of services**		
	- Holding company		
	TVS Holdings Limited, Chennai	-	2.72
	- Fellow Subsidiary companies		
	TVS Emerald Limited	0.12	1.34
	- Enterprises under Common control		
	Sundaram-Clayton Limited, Chennai	9.96	6.74
(vi)	**Availing of services (includes sub-contract charges paid)**		
	- Holding company		
	TVS Holdings Limited, Chennai	170.90	139.93
	- Fellow Subsidiary companies		
	TVS Digital Limited (w.e.f 16.09.2024)	12.53	-

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
	- **Associate / joint venture of holding / subsidiary / fellow subsidiary company**		
	TVS Training & Services Limited, Chennai	0.03	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.01	-
	- **Enterprises under Common control**		
	Sundaram-Clayton Limited, Chennai	5.66	4.81
	- **Enterprises in which directors are interested**		
	Dua Associates, Delhi (Upto 13.07.2024)	0.06	0.35
	Dua Consulting Private Limited, Delhi (Upto 13.07.2024)	1.12	4.57
	McCann-Erickson (India) Private Limited, Delhi (Upto 13.07.2024)	0.90	3.59
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.16	0.65
	TVS Automobile Solutions Private Limited	0.17	-
(vii)	**Investments made/(Redemptions) during the year**		
	- **Fellow Subsidiary companies**		
	TVS Digital Limited (w.e.f 16.09.2024)	(3.05)	-
	- **Associate / Joint venture**		
	Indian Foundation for Quality Management, Bengaluru	-	25.00
	Killwatt GmbH, Germany	-	71.50
	ION Mobility Ltd., Singapore	-	45.38
(viii)	**Remuneration to key managerial personnel:**		
	Short-term employee benefits	89.51	68.21
	Post-employment benefits	1.12	0.65
(ix)	**Contributions to post employment benefit plans:**		
	TVS Motor Company Employees' Gratuity Fund	30.37	98.51
	TVS Motor Company Employees' Provident Fund	142.75	114.30
	(Including Employee and Employer Contributions)		
(x)	**Dividend paid to**		
	- **Holding company**		
	TVS Holdings Limited, Chennai	238.78	191.03
(xi)	**Donations Made**		
	- **Enterprises in which directors are interested**		
	TVS Cheema Scholarship Foundation	39.98	-
	Veeyes Charities Foundation	7.00	8.30
(xii)	**Others**		
	Srinivasan Services Trust - CSR contribution	50.00	40.00
	TVSM Employees Stock Option Trust - Purchase of Shares	95.27	-
(c)	**Balances with related parties:**		
(i)	**Trade receivables / Other current assets**		
	- **Holding company**		
	TVS Holdings Limited, Chennai	2.39	74.23
	- **Associates**		
	Ultraviolette Automotive Private Limited, Bengaluru	0.02	0.18
	- **Associate / Branches /Joint venture of holding / subsidiary / fellow subsidiary company:**		
	TVS Motor (Singapore) Pte. Ltd, Italy Branch	4.61	-
	TVS Motor (Singapore) Pte. Ltd, Philippines Branch	0.59	-
	TVS Training & Services Limited, Chennai	0.12	-
	- **Fellow Subsidiary companies**		
	TVS Digital Limited (w.e.f 16.09.2024)	1.36	-
	- **Enterprises under Common control**		
	Sundaram-Clayton Limited, Chennai	4.15	1.25

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
	TVS Emerald Limited	14.09	11.91
	Emerald Haven Development Limited, Chennai (w.e.f 01.01.2025)	0.16	-
-	**Enterprises in which directors are interested**		
	Trichur Sundaram Santhanam & Family Private Limited, Chennai	0.21	0.52
	McCann-Erickson (India) Private Limited, Delhi	-	0.02
	TVS Cheema Scholarship Foundation	0.48	-
(ii)	**Trade payables**		
-	**Holding company**		
	TVS Holdings Limited, Chennai	4.47	7.89
-	**Associate / joint venture of holding / ultimate holding / subsidiary / fellow subsidiary company**		
	Predictronics Corporation, USA	-	0.07
	DriveX Mobility Private Limited	-	0.04
-	**Fellow Subsidiary companies**		
	TVS Digital Limited (w.e.f 16.09.2024)	1.17	-
-	**Enterprises under Common control**		
	Sundaram-Clayton Limited, Chennai	2.97	0.27
-	**Enterprises in which directors are interested**		
	Dua Consulting Private Limited, Delhi (upto 13.07.2024)	-	0.32
	T.V Sundram Iyengar & Sons Private Limited, Madurai	0.03	0.07
	TVS Organics Private Limited	-	0.03

42 Earnings Per Share

Rupees in crores

Particulars	As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Profit after tax from Continuing Operations	2,205.65	1,661.41
Profit after tax from Discontinued Operations	29.91	24.96
Number of equity shares	47,50,87,114	47,50,87,114
Face value of the share (in rupees)	1.00	1.00
Weighted average number of equity shares	47,50,87,114	47,50,87,114
Basic and diluted earnings per share for continuing operations (in rupees)	46.42	34.97
Basic and diluted earnings per share for discontinued operations (in rupees)	0.63	0.53
Basic and diluted earnings per share for Continuing and discontinued operations (in rupees)	47.05	35.50

43 Warranty Provision

Rupees in crores

Particulars	As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
Opening balance	89.13	55.11
Add: Provision for the year (Net)	167.04	89.13
	256.17	**144.24**
Less: Payments / debits (Net)	89.13	55.11
Closing balance	**167.04**	**89.13**

Notes to the Consolidated Financial Statements (Contd.)

44 Contingent Liabilities and Commitments not Provided for

Rupees in crores

		As at / Year Ended 31-03-2025	As at / Year Ended 31-03-2024
(a)	Claims against the company not acknowledged as debts:		
	(i) Excise	23.90	23.89
	(ii) Service tax	7.17	8.08
	(iii) Sales tax	-	2.00
	(iv) Income tax	48.07	54.99
	(v) GST	55.03	16.28
	(vi) Legal cases filed by borrowers against the Company	13.15	6.15
	The future cash flows on the above items are determinable only on receipt of the decisions / judgments that are pending at various forums / authorities.		
	The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.		
(b)	Other money for which the company is contingently liable:		
	(i) On bills discounted with banks	330.98	250.99
(c)	Commitments:		
	(i) Estimated amount of contracts remaining to be executed on capital account		
	and not provided for	343.18	252.41
	(ii) On Investments	-	1.88
	(iii) Undrawn loans sanctioned to customers by finanacial enterprises	41.29	63.47
	(iv) Estimated Indemnity amount on account of tax paid due to interpretational difference in GST tax rate	15.94	15.94
		878.71	**696.08**

45 Company as A Lessee

The company has taken land, warehouses and sales offices across the country on lease for lease period ranging from 6-99 years. Company also has other assets on leases, the lease term here ranges from 2-9 Years.

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the year is ₹ 125.48 Cr (Previous year: ₹ 121.76 Cr)

Payment made towards low value asset leases during the year is Nil (Previous year: Nil)

Payment relating to leases are disclosed in Cash flow statement

Income from sub-leasing of Right of use asset ₹ 0.39 Cr (Previous year: ₹ Nil)

Notes to the Consolidated Financial Statements (Contd.)

46 Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013

(i) As per the Group's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable /do not apply

(ii) The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

(iii) No proceedings have been initiated or pending against any Company in the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(iv) The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

(v) All the Companies in the Group has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable /do not apply

(vi) There are no transactions with the companies whose names were struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025.

(vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (a) 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

  (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

(ix) The Group 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:

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

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

(x) The Group has not operated in any crypto currency or Virtual Currency transactions

(xi) During the year no Company in the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

Notes to the Consolidated Financial Statements (Contd.)

47A Segment Information

The Company identified operations from which significant risks and rewards are derived in two verticals viz (a) Automotive Vehicles & Parts and related investments and (b) Investment held in Financial services The same is reflected in the below segmental reporting.

For the Year Ended 31-03-2025

Rupees in crores

Particulars	Business Segment			
	Automotive vehicles & parts	Financial Services	Others	Total
Revenue				
External sales - domestic	28,254.33	6,618.37	-	34,872.70
- exports	9,216.31	-	-	9,216.31
Other income	128.89	(59.33)	-	69.56
Inter segment sales	102.84	-	-	102.84
Total revenue	37,702.37	6,559.04	-	44,261.41
Less: Inter segment sales	102.84	-	-	102.84
Net revenue	37,599.53	6,559.04	-	44,158.57
Segment-wise results before interest and tax	2,849.85	959.55	-	3,809.40
Less: interest	229.93	-	-	229.93
Profit before tax from continuing operations	2,619.92	959.55	-	3,579.47
Less: Tax expenses from continuing operations	896.99	258.46	-	1,155.45
Profit after tax from continuing operations	1,722.93	701.09	-	2,424.02
Share of profit of Associates	(74.12)	-	-	(74.12)
Profit / Loss for the period from continuing operations	1,648.81	701.09	-	2,349.90
Profit before tax from discontinued operations	22.49	-	-	22.49
Less: Tax expenses from discontinued operations	(7.42)	-	-	(7.42)
Profit after tax from discontinued operations	29.91	-	-	29.91
Profit / Loss for the period	1,678.72	701.09	-	2,379.81
Segment assets	16,262.27	31,674.64	-	47,936.91
Segment liabilities	12,362.01	26,132.63	-	38,494.64
Segment depreciation / amortisation	999.36	46.20	-	1,045.56

Notes to the Consolidated Financial Statements (Contd.)

For The Year ended 31-03-2024

Rupees in crores

Particulars	Business Segment			
	Automotive vehicles & parts	Financial Services	Others	Total
Revenue				
External sales - domestic	24,962.36	5,784.40	0.05	30,746.81
- exports	8,032.94	-	-	8,032.94
Other Income	103.55	1.34	-	104.89
Inter segment sales	89.91	6.10	-	96.01
Total sales	33,188.76	5,791.84	0.05	38,980.65
Less: Inter segment sales	89.91	6.10	-	96.01
Net revenue	33,098.85	5,785.74	0.05	38,884.64
Segment-wise results before interest and tax	2,216.04	758.10	0.03	2,974.17
Less: interest	259.75	3.33	-	263.08
Profit before tax from continuing operations	1,956.29	754.77	0.03	2,711.09
Less: Tax expenses from continuing operations	723.71	190.32	0.01	914.04
Profit after tax from continuing operations	1,232.58	564.45	0.02	1,797.05
Share of profit of Associates	(43.47)	-	-	(43.47)
Profit / Loss for the period from continuing operations	1,189.11	564.45	0.02	1,753.58
Profit before tax from discontinued operations	35.30	-	-	35.30
Less: Tax expenses from discontinued operations	10.34	-	-	10.34
Profit after tax from discontinued operations	24.96	-	-	24.96
Profit / Loss for the period	1,214.07	564.45	0.02	1,778.54
Segment assets	13,536.68	28,683.78	-	42,220.46
Segment liabilities	10,432.03	24,277.32	-	34,709.35
Segment depreciation / amortisation	928.76	27.39	-	956.15

47B Revenue From Contract With Customers:

Rupees in crores

Particulars		Year Ended 31-03-2025	Year Ended 31-03-2024
(a)	Geographical market		
(i)	Domestic	33,710.80	29,963.52
(ii)	Exports	8,975.05	7,816.01
		42,685.85	**37,779.53**
(b)	Revenue recognized that was inlcuded in the contract liabilities at the beginning of the period. (Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met, the same is recognized as revenue).	265.58	338.00
(c)	Reconciliation of revenue with contract price:		
(i)	Contract price	44,117.96	39,011.64
(ii)	Adjustments :		
	Incentive schemes	829.73	705.62
	Transport cost	602.38	526.49
	Revenue from sale of products/services	**42,685.85**	**37,779.53**

Notes to the Consolidated Financial Statements (Contd.)

48 Additional Information on Net Assets and Share of Profits and Other Comprehensive Income for the year ended 31-03-2025

Rupees in crores

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of consolidated other comprehensive income	Amount ₹ in crores	As % of consolidated total comprehensive income	Amount ₹ in crores
1	2	3	4	5	6	7	8	9
Parent								
TVS Motor Company Limited, Chennai	8.24%	778.48	113.17%	2,693.25	69.08%	32.62	112.31%	2,725.87
Subsidiaries - Indian								
Sundaram Auto Components Limited, Chennai*	0.69%	65.13	-0.26%	(6.19)	-0.40%	(0.19)	-0.26%	(6.38)
Sundaram Auto Components Limited, Chennai^	0.00%	-	1.26%	29.91	0.00%	-	1.23%	29.91
TVS Credit Service Limited, Chennai	42.40%	4,003.17	26.18%	623.05	-25.90%	(12.23)	25.17%	610.82
TVS Motor Service Limited, Chennai	3.52%	332.04	-0.15%	(3.61)	0.00%	-	-0.15%	(3.61)
TVS Digital Limited, Chennai (Formerly known as TVS Housing Limited, Chennai) (up to 15.09.2024)	0.00%	-	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
TVS Electric Mobility ltd, chennai	0.01%	1.00	0.00%	-	0.00%	-	0.00%	-
Drivex Mobility private limited, Coimbatore (from 23.12.2024)	2.60%	245.39	-0.45%	(10.82)	0.00%	-	-0.45%	(10.82)
Subsidiaries - Foreign								
TVS Motor (Singapore) Pte Limited, Singapore	7.43%	701.35	-6.87%	(163.39)	16.62%	7.85	-6.41%	(155.54)
TVS Motor Company Europe B.V. Amsterdam	0.00%	(0.02)	-0.06%	(1.54)	0.13%	0.06	-0.06%	(1.48)
PT. TVS Motor Company Indonesia, Jakarta	6.15%	580.82	0.82%	19.54	-14.59%	(6.89)	0.52%	12.65
The Norton Motorcycle Co.Limited, UK	4.56%	430.58	-16.26%	(387.07)	17.87%	8.44	-15.60%	(378.63)
TVS Digital Pte Limited, Singapore	1.15%	108.56	-1.89%	(44.89)	22.22%	10.49	-1.42%	(34.40)
The GO AG, Zurich	1.26%	119.19	-2.66%	(63.38)	-3.41%	(1.61)	-2.68%	(64.99)
Swiss E-Mobility Group (Holding) AG,Nuremberg	4.44%	418.90	-14.83%	(352.98)	11.20%	5.29	-14.33%	(347.69)
Celerity Motor GmbH, Germany	0.48%	45.02	0.01%	0.24	11.52%	5.44	0.23%	5.68
EBCO Limited, UK	0.15%	13.81	-0.72%	(17.18)	-5.17%	(2.44)	-0.81%	(19.62)
TVS Motor company DMCC, Dubai	4.69%	443.07	-0.22%	(5.21)	6.86%	3.24	-0.08%	(1.97)
Non-controlling Interest in all subsidiaries	9.94%	938.89	6.06%	144.25	-6.04%	(2.85)	5.83%	141.40
Associates - Indian								
(Investment as per the equity method)								
Ultraviolette Automotive Private Limited, Bengaluru	0.67%	63.49	-1.49%	(35.45)			-1.46%	(35.45)
Drivex Mobility Private Limited, Coimbatore (up to 22.12.2024)	0.53%	49.77	-0.79%	(18.88)			-0.78%	(18.88)
Indian Foundation for Quality Management, Bengaluru (up to 10.03.2025)	0.00%	0.00	0.00%	-			0.00%	-

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of consolidated other comprehensive income	Amount ₹ in crores	As % of consolidated total comprehensive income	Amount ₹ in crores
Associates - Foreign								
Predictronics Corp, USA	0.18%	17.37	-0.02%	(0.48)			-0.02%	(0.48)
Tag Box Pte limited, Singapore (up to 19.06.2024)	0.00%	0.00	0.00%	-			0.00%	-
Scienaptics Systems Inc., USA	0.00%	0.00	-0.02%	(0.55)			-0.02%	(0.55)
Altizon Inc, USA	0.24%	22.59	-0.03%	(0.68)			-0.03%	(0.68)
Killwatt GmbH	0.67%	63.68	-0.13%	(3.00)			-0.12%	(3.00)
ION Mobility (up to 31.03.2025)	0.00%	0.00	-0.63%	(15.08)			-0.62%	(15.08)
Total	**1.00**	**9,442.27**	**1.00**	**2,379.81**	**100.00%**	**47.22**	**100.00%**	**2,427.03**

* Continuing operations

^ Discontinued operations

49 Previous Year's Figures have been regrouped wherever necessary to conform to the Current Year's classification.

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Notes to the Consolidated Financial Statements (Contd.)

Annexure

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries / associate companies.
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A - Subsidiaries

Information in respect of each subsidiary

Rupees in crores

S.No	Particulars	Indian Subsidiaries							
		Sundaram Auto Components Limited	TVS Motor Services Limited	TVS Credit Services Limited	TVS Two-Wheeler Mall Private Limited	Harita ARC Private Limited	TVS Housing Finance Private Limited	TVS Electric Mobility Ltd	Drive-X
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Date on which subsidiary was acquired	01-04-2003	07-09-2017	07-09-2017	07-09-2017	07-09-2017	08-09-2017	13-12-2021	23-12-2024
2.	Reporting period	01-04-2024 to 31-03-2025							
3.	Reporting currency	Indian Rupees							
	Closing Exchange rate	Not applicable							
4.	Share capital	11.94	149.63	254.65	^	^	12.00	1.00	0.02
5.	Reserves & Surplus	57.32	15.52	4693.27	(0.02)	(0.02)	4.30	-	36.95
6.	Total assets	97.66	224.70	31052.46	-	-	16.57	1.00	88.81
7.	Total Liabilities	28.40	59.55	26104.54	0.02	0.02	0.27	-	51.84
8.	Investments	0.48	30.96	299.75	-	-	-	-	-
9.	Turnover from Continuing operations	0.97	0.09	6630.04	-	-	1.08	-	15.28
10.	Turnover from Discontinued operations	744.64	-	-	-	-	-	-	-
11.	Profit before taxation from Continuing operations	(6.99)	(3.61)	1025.44	-	-	1.08	-	(21.66)
12.	Profit before taxation from Discontinued operations	22.48	-	-	-	-	-	-	-
13.	Provision for taxation from Continuing operations	(0.69)	-	258.19	-	-	0.27	-	(14.48)
14.	Provision for taxation from Discontinued operations	(7.42)	-	-	-	-	-	-	-
15.	Profit after taxation from Continuing operations	(6.30)	(3.61)	767.25	-	-	0.81	-	(7.18)
16.	Profit after taxation from Discontinued operations	29.91	-	-	-	-	-	-	-
17.	Proposed Dividend	-	-	-	-	-	-	-	-
18.	% of shareholding	100	100	81.12	81.12	81.12	81.12	100	89.40

^Share capital of ₹ 25,000.

Notes to the Consolidated Financial Statements (Contd.)

Rupees in crores

S.No	Particulars	Foreign Subsidiaries									
		TVS Motor Company (Europe) B.V.*	PT TVS Motor Company Indonesia	TVS Motor (Singapore) Pte. Ltd	The Norton Motorcycle Co. Limited	TVS Digital Pte Limited	The GO Corporation*	Swiss E-Mobility Group (Holding) AG *	Celerity Motor Gmbh*	EBCO Ltd	TVSM DMCC*
		(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1.	Date on which subsidiary was acquired	21-07-2005	05-09-2005	21-10-2005	03-04-2020	24-05-2021	16-09-2021	27-01-2022	06-12-2022	01-04-2022	27-06-2024
2.	Reporting period	01-04-2024 to 31-03-2025									
3.	Reporting currency	USD	IDR	SGD	GBP	SGD	CHF	CHF	EUR	GBP	AED
	Closing Exchange rate	₹ 85.48/USD	₹ 0.52/ IDR 100	₹ 63.71/SGD	₹ 110.70/ GBP	₹ 63.71/SGD	₹ 96.84/CHF	₹ 96.84/CHF	₹ 92.09/EUR	₹ 110.70/ GBP	₹ 23.27/AED
4.	Share capital	126.52	906.08	5308.10	1607.82	138.78	2.63	2.40	0.22	0.02	210.78
5.	Reserves & Surplus	(129.71)	(619.41)	(550.05)	(1225.70)	(205.35)	4.85	72.73	(17.62)	(1.81)	(1.97)
6.	Total assets	0.10	1087.42	5427.36	787.63	182.24	85.51	679.84	47.58	19.39	443.14
7.	Total Liabilities	3.29	800.75	669.31	405.51	248.81	78.03	604.71	64.98	21.18	234.33
8.	Investments	-	-	3581.72	-	-	-	-	-	-	-
9.	Turnover	-	914.52	254.73	41.54	8.93	21.94	506.40	28.92	12.35	0.16
10.	Profit before taxation	(1.54)	21.37	(377.88)	(395.57)	(69.25)	(53.74)	(324.75)	0.24	(17.18)	(5.21)
11.	Provision for taxation	-	1.83	(1.30)	(8.50)	-	0.03	6.35	-	-	-
12.	Profit after taxation	(1.54)	19.54	(376.58)	(387.07)	(69.25)	(53.77)	(331.10)	0.24	(17.18)	(5.21)
13.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
14.	% of shareholding	100	100	100	100	100	100	100	100	100	100

* Unaudited financial statement.

1. The GO AG, Switzerland includes the consolidation of its subsidiary viz, EGO Movement Stuttgart, GmbH, Germany.
2. Swiss E-Mobility Group (Holding) AG include the consolidation of its subsidiaries viz, Swiss E-Mobility Group (Schweiz) AG, Zurich, Switzerland, Colag E-Mobility GmBH, Nuremberg, Germany and Alexand'Ro Edouard'O Passion Vélo Sàrl ("Passion Vélo"), Germany.

Notes:

1. Subsidiaries which are yet to commence operations: (1) TVS Two Wheeler Mall Private Ltd, (2) Harita ARC Private Ltd, (3) TVS Electric Mobility Ltd.
2. Subsidiaries which have been sold during the year - TVS Digital Limited (Formerly known as TVS Housing Limited)

Notes to the Consolidated Financial Statements (Contd.)

Part B – Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Rupees in crores

S.No	Name of Associate	Ultraviolette Automotive Private Limited*	Predictronics Corp*	Altizon Inc*	Kilwatt Gmbh*
1.	Latest audited Balance Sheet Date	31-03-2024	31-12-2023	**	**
2.	Date on which the Associate was acquired	09-08-2018	17-08-2019	01-02-2021	04-04-2023
3.	Shares of Associate held by the company on the year end				
	(i) No. of shares	27,166	24,827	8,06,429	24,500
	(ii) Amount of investment in Associates/Joint Venture	121.00	22.36	25.34	71.50
	(iii) Extent of holding %	30.83	23.49	20.00	49.00
4.	Description of how there is significant influence.	Holding more than 20% of share capital	Subsidiary holding more than or equal to 20% of share capital		
5.	Reason why the associate/ joint venture is not consolidated		Not applicable		
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	112.98	0.35	0.46	31.98
7.	Profit / (Loss) for the year:				
	(i) Considered in consolidation	(35.45)	(0.48)	(0.68)	(3.00)
	(ii) Not considered in consolidation		Not Applicable		

* Unaudited financial statements up to 31-03-2025 has been consolidated.

** Audit of financial statements are not mandated by the regulations of the respective country in which the Company is incorporated.

Notes:

1. Associates which have been liquidated or sold during the year – Tag box Pte Limited.
2. TVS Motor (Singapore) Pte Limited, a wholly owned subsidiary, has divested its stake in ION Mobility Pte. Ltd., and thereby it ceased to be an associate of the Company and that of its wholly owned subsidiary.
3. Indian Foundation for Quality Management (IFQM) ceased to be an Associate of the Company as the Company's shareholding had reduced below 20% upon further allotment of shares to other Investors.
4. The Company has acquired further stake of 39.11% in the equity share capital in DriveX Mobility Private Limited, Coimbatore (Drive-X) and thereby the Company's holding in Drive-X has been increased to 87.38%; consequent to this acquisition, Drive-X has ceased to be an associate and become the subsidiary of the Company.
5. TVS Digital Pte Ltd, Singapore, a step down wholly owned subsidiary of the Company has redeemed part of its stake held in Scienaptic Systems Inc., (Scienaptic) and thereby Scienaptic ceased to be an associate of the Company and that of its step down wholly owned subsidiary.

PROF SIR RALF DIETER SPETH
Chairman
DIN: 03318908

SUDARSHAN VENU
Managing Director
DIN: 03601690

K N RADHAKRISHNAN
Director & Chief Executive Officer
DIN: 02599393

As per our report annexed
For **Sundaram & Srinivasan**
Chartered Accountants
Firm Regn. No.004207S

Place : Chennai
Date : 28th April 2025

K GOPALA DESIKAN
Chief Financial Officer

K S SRINIVASAN
Company Secretary

S USHA
Partner
Membership No.:211785

Notice of Annual General Meeting

NOTICE is hereby given that the 33rd Annual General Meeting of the Company ('AGM') will be held on Friday, the 22nd August 2025 at 12. 15 PM [Indian Standard Time ('IST')] through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

1. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT the standalone and consolidated audited financial statements for the year ended 31st March 2025, together with the Board's Report and the Auditors' Report thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted."

2. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT Mr Venu Srinivasan (holding DIN 00051523), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT the vacancy caused by retirement by rotation of Prof Sir Ralf Dieter Speth (DIN 03318908) Director, who does not offer himself for re-appointment, be not filled up."

4. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time read with provisions of Section 204 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act, 2013") & Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any amendment, modification or variation thereof, based on the recommendation of the Audit Committee and the Board of Directors, M/s Sriram Krishnamurthy & Co, (formerly known as S. Krishnamurthy & Co.) Company Secretaries having firm registration number P1994TN045300 allotted by the Institute of Company Secretaries of India, who have confirmed their eligibility and have also given their consent for appointment as Secretarial Auditors in terms of Regulation 24A(1A) of the Listing Regulations and other applicable rules, be and are hereby appointed Secretarial Auditors of the Company for a term of five consecutive years to hold office from FY 2025-2026 till FY 2029-2030.

   RESOLVED FURTHER THAT the approval of the Shareholders be and is hereby accorded to the Board of Directors of the Company (including any Committee constituted thereof) to fix the remuneration during their term of appointment as may be mutually agreed between the Board of Directors of the Company (including any Committee constituted thereof) and the Secretarial Auditors, from time to time during their tenure of appointment, in addition to applicable taxes and reimbursement of traveling and other out of pocket expenses incurred by them and to avail any other services, certificates, or reports as may be permissible under applicable laws and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution.

5. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) remuneration of ₹ 8,00,000/- (Rupees eight lakhs only) plus applicable taxes and reimbursement of travelling and other out of pocket expenses incurred by them, payable to M/s C S Adawadkar & Co, Practicing Cost Accountants, having Firm Registration No. 100401 allotted by The Institute of Cost Accountants of India, who were appointed as Cost Auditors of the Company for the financial year ending 31st March 2026 by the Board of Directors of the Company, as recommended by the Audit Committee be and is hereby ratified."

By order of the Board of Directors

Bengaluru
5th June 2025

K S SRINIVASAN
Company Secretary

Registered Office:
"Chaitanya"
No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006.

Notes:

A Statement pursuant to Section 102 of the Companies Act, 2013 (the Act, 2013), setting out the material facts in respect of the special business to be transacted at the Annual General Meeting (AGM), as listed out in the Notice, is annexed hereto.

1. Pursuant to the MCA Circular No 09/2024 dated 19th September 2024 read with MCA Circular Nos. 9/2023, 10/2022, 02/2022 and 20/2020 dated: 25th September 2023, 28th December 2022, 5th May 2022 and 5th May 2020 respectively, issued by the Ministry of Corporate Affairs (MCA) and all other relevant circulars issued from time to time, and SEBI Circulars SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October 2024, issued by the Securities and Exchange Board of India (SEBI) and in compliance with the provisions of the Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the Members is not required at a common venue and AGM can be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives as Members to attend the AGM through VC/OAVM and participate and cast their votes through e- Voting.

3. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to 1000 members on "first come first served" basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of "first come first served" basis.

4. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.

5. Pursuant to the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020 , 13th April, 2020, 5th May, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the meeting will be provided by NSDL.

6. In line with MCA Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.tvsmotor.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC / OAVM in compliance with applicable provisions of the Act, 2013, read with Circulars issued by MCA and SEBI from time to time and the Company will provide one-way live webcast of the proceedings of the AGM, in terms of Regulation 44 of the Listing Regulations, being one of the top 100 listed Companies as at 31st March 2025.

8. The relevant details as set out under Item No. 2 of the Notice pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) in respect of the Director seeking re-appointment at this AGM, are also part of this Notice.

9. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

Unclaimed Dividend

10. In terms of Section 124 of the Act, 2013, the dividend declared by the Company, for earlier years, which remain unclaimed for a continuous period of seven years will be transferred on due dates to the Investor Education and Protection Fund (IEPF), established by the Central Government. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the Report on Corporate Governance, forming part of the Annual Report.

11. Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the un-encashed warrants immediately to the Company. The Company has also uploaded details of such Members whose shares are transferred to IEPF Account on its website at www.tvsmotor.com.

    Pursuant to The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is providing / hosting the required details of unclaimed amount referred to under Section 124 of the Act, 2013 on its website.

General

12. As per Regulation 40 of Listing Regulations, all requests for transfer of securities including transmission and transposition, issue of duplicate share certificate; claim from unclaimed suspense account; renewal / exchange of share certificate; endorsement; sub-division/splitting of share certificate; consolidation of share certificates/ folios shall be processed only in dematerialized form.

    With a view to serve the Members better and for administrative convenience, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings into one folio.

13. Members may also note that the Annual Report will also be available on the Company's website viz., www.tvsmotor.com and on the websites of the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively for their download.

Members holding shares in electronic form

14. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to submit their PAN to the Depository Participant(s) (DP) with whom they are maintaining their demat accounts.

15. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC, Mandates, Nominations, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., to their DP.

16. Electronic copy of the Annual Report and the Notice of the AGM inter-alia indicating the process and manner of e-Voting are being sent to all the Members whose e-mail IDs are registered with the Company / DPs for communication purposes. A letter providing the web-link for accessing the Annual Report, including the exact path, will be sent to those members who have not registered their email address with the Company.

Members holding shares in physical form

17. Members can submit their PAN details to the Company/ Share Transfer Agent (STA).

18. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC, Mandates, Nomination as per Section 72 of the Act, 2013 by filling Form SH-13, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., with the Company / STA. Blank forms (SH-13) will be sent by e-mail.

19. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.

Inspection of documents

20. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred elsewhere in the Annual Report will also be available for inspection from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to contactus@tvsmotor.com.

Voting

21. The businesses set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. The Members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-Voting').

22. In case of joint holders attending AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

23. In terms of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, ('the Rules') and Regulation 44 of the Listing Regulations, the Company has provided facility to exercise votes through electronic voting system to the Members holding shares as on 15th August 2025 being the "Cut-off Date" ("Cut- Off" for the purpose of Rule 20(4)(vii) of the Rules) fixed for determining voting rights of the Members entitled to participate in the remote e-Voting process through the platform provided by NSDL viz., www.evoting.nsdl.com .

    The voting rights of the Members / Beneficial Owners will be reckoned on the Equity Shares held by them as on Cut-off date. Members as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting.

The instructions for remote e-Voting and voting at the meeting are as under:

The remote e-Voting period begins on 19th August 2025 at 9:00 A.M. (IST) and ends on 21st August 2025 at 5:00 P.M. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members who have not cast their vote on any of the resolutions using the remote e- Voting facility can vote on those resolutions during the AGM. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** Download on the App Store GET IT ON Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their User ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System MyeasiTan and then use your existing my easi username and password. 2. After successful login the Easi / Easiest user will be also able to see the E-voting Menu. The menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website HYPERLINK "http://www.cdslindia.com" www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on HYPERLINK "http://www.cdslindia.com" www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request

at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. M/s B Chandra & Associates, Practicing Company Secretaries (Reg. No. P2017TN065700), have been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
2. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bchandraandassociates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 or send a request to NSDL official at evoting@nsdl.co.in

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to einward@integratedindia.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID) or 16 AADHAAR, Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to einward@integratedindia.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

i. Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, Members can see link of "VC/ OAVM link" placed under "Join meeting" menu against the Company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC / OAVM will be available in shareholder / members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

ii. Members are encouraged to join the Meeting through Laptops for better experience.

iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, email id, mobile number at srinivasan.ks@tvsmotor.com from 16th August 2025 (9.00 A.M. (IST)) to 20th August 2025 (5.00 P.M. (IST))

vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

vii. Members can submit questions with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address srinivasan.ks@tvsmotor.com atleast 48 hours in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

Other information to the Shareholders:

1. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

2. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairman or a person authorized in this regard, within two working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

3. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.tvsmotor.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.

4. Pursuant to the Circulars issued by MCA and SEBI, owing to the difficulties involved in dispatching of physical copies of the Notice of the AGM and the Annual Report for the year 2024-25, the said documents are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2024-25 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:

   a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the Company STA's email address einward@integratedindia.in.

   b) For Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

Further, as per Regulation 36 (1) (c) of the Listing Regulations, hard copy of the full annual report will be given to those shareholders who request for the same.

5. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company STA's email address einward@integratedindia.in alongwith the documents as stated below.

6. In order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details / documents by email to reach the company's email ID srinivasan.ks@tvsmotor.com or the email ID of STA einward@integratedindia.in.

   a. a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

      i. Name and Branch of Bank and Bank Account type;

      ii. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;

      iii. 11 digit IFSC Code;

      iv. Self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

      v. Self-attested scanned copy of the PAN Card; and

      vi. Self-attested scanned copy of any document (such as AADHAAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

   b. For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.

7. With effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made upon folio being KYC compliant i.e. the PAN, contact details including mobile no., bank account details and specimen signature are registered with the RTA/Company. [SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/81 dated June 10, 2024].

8. In accordance with the provisions of Article 66 of the Articles of Association of the Company, Mr Venu Srinivasan Director will retire by rotation at this AGM and being eligible offer himself for re-appointment.

9. In terms of the Regulation 36(3) of the Listing Regulations, read with Secretarial Standards on General Meeting, brief profile of Mr Venu Srinivasan, who is proposed to be re-appointed in this AGM, nature of his expertise in specific functional areas, other Directorships and Committee Memberships, his shareholding and relationship with other Directors of the Company along with listed entities from which the Director has resigned in the past three years are provided as part of this notice.

Statement of material facts pursuant to Section 102 of the Companies Act, 2013

The following statement sets out all material facts relating to the ordinary / special businesses mentioned in the accompanying Notice dated 5th June 2025 and shall be taken as forming part of the Notice.

Item No. 3

Prof Sir Ralf Dieter Speth has been a Director on the Board since 24th March 2021.

He is liable to retire by rotation and due for re-appointment in this AGM, in terms of the applicable provisions of the Companies Act, 2013.

Prof Sir Ralf Dieter Speth has requested not to consider his re-appointment at the Annual General Meeting and thereby he will cease to be a Director and also as Chairman of the Company effective the close of business hours of the AGM date. The Directors recorded their appreciation to Prof Sir Ralf Dieter Speth, for his remarkable contributions, mentorship, dedication to engineering excellence, global expansion and in shaping the company's strategic direction. The Board does not propose filling the vacancy arising from the retirement of Prof Sir Ralf Dieter Speth.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.3 of this Notice.

Accordingly, the Board recommends the ordinary resolution as set out in Item No.3 for approval of the members.

Item No. 4

As per Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time read with provisions of Section 204 of the Companies Act, 2013 &

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed entity is required to appoint a Peer reviewed firm of Practicising Company Secretaries, as Secretarial Auditor, with the approval of its shareholders in its Annual General Meeting. Further, the tenure of appointment of a Secretarial Audit firm as Secretarial Auditor shall not be more than two terms of five consecutive years.

In compliance with the above-said provisions, and based on the evaluation and recommendation of the Audit Committee, the Board of Directors at its meeting held on 28th April, 2025, approved the appointment of M/s. Sriram Krishnamurthy & Co., a Peer reviewed firm of Company Secretaries, Chennai, having Firm Registration No. P1994TN045300 and Peer Review No: 6684/2025, as Secretarial Auditors of the Company for a term of five consecutive years to hold office from FY 2025-26 till FY 2029-30, subject to the approval of the members, at a fees of Rs. 6 lakh (Rupees Six Lakhs Only) excluding applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them in connection with the Secretarial Audit of the Company for the financial year 2025-26. The audit fee for subsequent financial years shall be mutually agreed upon between the Secretarial Auditors and the Board of Directors of the Company (duly constituted Committee) from time to time.

M/s. Sriram Krishnamurthy & Co, have furnished their consent to act as Secretarial Auditors and have also provided a certificate to the effect that their appointment, if approved, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under the SEBI Listing Regulations and within the limits specified by Institute of Company Secretaries of India.

The Secretarial Auditors have reported their independence from the Company according to the standards issued by the Institute of Company Secretaries of India ('ICSI') and the ethical requirements relevant to audit and the same has been reviewed by the Audit Committee of the Company.

In the view of the Audit Committee and Board of Directors of the Company, M/s. Sriram Krishnamurthy & Co has the necessary capabilities and competencies to perform their duties as Secretarial Auditors of the Company considering the nature and scope of activities undertaken by the Company.

No Orders have been passed against M/s. Sriram Krishnamurthy & Co by ICSI/SEBI/MCA/any other competent authority / Court, both in India or outside India, in past 5 (five) years.

M/s. Sriram Krishnamurthy & Co have not rendered any services prohibited under SEBI Circular dated 31st December, 2024 directly or indirectly to the Company or its holding company or subsidiary or any associate.

Besides the secretarial audit services, the Company may also obtain certifications or reports from M/s Sriram Krishnamurthy & Co as required by statutory and regulatory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. The above fee excludes the proposed remuneration to be paid for the purpose of secretarial audit of subsidiaries, if any. M/s. Sriram Krishnamurthy & Co., Company Secretaries, were paid a fee of ₹ 6 lakh for the FY 2024-25 and hence there is no material change in the fee payable to the Secretarial Auditors.

Apart from the Company, M/s Sriram Krishnamurthy & Co are the Secretarial Auditors of a subsidiary company,viz., Sundaram Auto Components Limited and were paid a fee of Rs . 1 Lakh for the Secretarial Audit of FY 2024-25.

Brief Profile of Secretarial Auditors

M/s Sriram Krishnamurthy & Co (formerly known as M/s S. Krishnamurthy & Co.) is a Peer-reviewed Firm of Company Secretaries in Practice (holding Firm Unique Identification No. P1994TN045300 issued by The Institute of Company Secretaries of India) with 28 years of experience in Corporate Law practice. They serve clients across various sectors, having an excellent track record in the field of Corporate Laws, Securities Laws, Foreign Exchange Management Laws, Industrial, Labour, Environment, Health and Safety Laws as well as Specific Laws applicable to Export Oriented Units, and Special Economic Zones, Software Technology Parks of India, Deposit-taking listed NBFC, Cement and Sugar industries.

The firm handles Secretarial Audits, Corporate Governance Audits, Due Diligence, Corporate restructuring, Preferential issues, ESOS, Internal Audit of Registrar and Transfer Agent and also provides legal opinions/ consulting/ advisory/ certification services on corporate law matters.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.4 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.4 of this Notice for the appointment of Secretarial Auditors of the Company.

Item No. 5

As recommended by the Audit Committee, the Board at its meeting held on 28th April 2025, re-appointed M/s C S Adawadkar & Co, Practicing Cost Accountants, having Firm Registration No. 100401, as Cost Auditor of the Company. In terms of Section 148 of the Companies Act, 2013 (the Act,2013) to carry out an audit of cost records maintained for the production of goods covered under the specific Customs Tariff Act headings specified under Table B "Non-regulated sector" of Section 3 of the Companies (Cost Records and Audit) Rules, 2014, and fixed a sum of ₹ 8,00,000/- (Rupees Eight Lakhs only) as remuneration payable to them subject to applicable taxes and in addition to the reimbursement of travel and out of pocket expenses for the financial year 2025-26, subject to ratification by the Shareholders of the Company.

In terms of Section 148 (3) of the Act, 2013, read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25th April 2025 and 28th April 2025, is required to be ratified by the shareholders of the Company in this AGM of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.5 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.5 of this Notice for ratification of remuneration payable to the Cost Auditor of the Company.

By order of the Board of Directors

Bengaluru
5th June 2025

K S SRINIVASAN
Company Secretary

Registered Office:
"Chaitanya"
No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

[Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard – 2 on General Meetings]

Particulars	Details
Name of the Director	Mr Venu Srinivasan
DIN	00051523
Age	72 years
Date of first appointment on the Board	27th January 2000
Qualifications	• Engineering Degree from the College of Engineering, Chennai • Master's Degree in Management from Purdue University, USA.
Experience	More than 4 decades in Automotive sector
Expertise in specific functional areas	• In all spheres of management including strategic planning, business administration and unparalleled contribution to Indian manufacturing industry. • Always strives for excellence in both quality and cost along with customer satisfaction and takes advantage of emerging opportunities. • Very resourceful in his approach and implementation of strategies. • He is the Chairman of TVS Holdings Limited and also the Chairman Emeritus and Managing Director of Sundaram Clayton Limited.
Skills and capabilities required for the role and the manner in which the Independent Directors meet the requirements	NA
Terms and conditions of appointment / re-appointment	Re-appointment as Director retiring by rotation. Shareholder vide Special resolution dated 21st March 2025 approved the re-appointment of Mr Venu Srinivasan, as Chairman Emeritus and Managing Director, for a term of five years pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015.
Details of remuneration last drawn (FY 2024-25)	INR 1 Crore
Details of remuneration sought to be paid	NA
Directorships in other Companies/ entities	**Indian Companies:** 1. TVS Holdings Limited 2. Sundaram Clayton Limited 3. TVS Credit Services Limited 4. TATA Sons Private Limited 5. TATA Indian Institute of Skills 6. TVS Electric Mobility Limited 7. Sundaram Auto Components Limited 8. T.V. Sundram Iyengar & Sons Private Limited 9. TVS Housing Finance Private Limited 10. LV Trustee Private Limited 11. S. Venu Trustee Private Limited 12. VS Trustee Private Limited 13. Venu Srinivasan Trustee Private Limited 14. Cheema Educational Foundation 15. Namma School Foundation 16. Indian Foundation For Quality Management 17. TVS Cheema Scholarship Foundation 18. Reserve Bank of India **Foreign Companies:** 1. The Norton Motorcycle Co. Limited 2. TVS Motor (Singapore) Pte Limited, Singapore 3. TVS Digital Pte. Ltd., Singapore 4. Swiss E-Mobility Group (Holding) AG 5. Swiss E-Mobility Group (Schweiz) AG 6. Sundaram Holding USA Inc., USA

Particulars	Details
Membership/ Chairpersonship of Committees in other companies	Chairman of Corporate Social Responsibility Committee in TVS Holdings Limited, TVS Credit Services Limited and Sundaram Clayton Limited.
Listed entities from which the Director has resigned from Directorship in last 3 (three) years	Nil
No. of Board Meetings attended during FY2024-25	5
Inter-se relationship with other Directors and Key Managerial Personnel of the Company	Mr Venu Srinivasan is the father of Mr Sudarshan Venu, Managing Director.
Brief resume	As set out in the Profile of Mr. Venu Srinivasan below.
Shareholding details:	
(a) Own	NIL
(b) For other persons on a beneficial basis and	
(c) As a Beneficial Owner	

Profile of Mr Venu Srinivasan

Mr. Venu Srinivasan is Chairman Emeritus and Managing Director of the Company and Sundaram-Clayton Limited. He is the Chairman of TVS Holdings Limited and is also the Vice Chairman of Tata Trusts, India's most respected and largest philanthropic foundation and the majority shareholder of the Tata Group. He also serves on the Board of T V Sundram Iyengar & Sons Private Limited, Tata Sons Private Ltd., the holding company of the conglomerate Tata Group. He is a Director on the Central Board of Reserve Bank of India.

Mr Venu Srinivasan has experience of more than 4 decades in Automotive sector and has expertise in all spheres of management including strategic planning, business administration and unparalleled contribution to Indian automotive industry. He always strives for excellence in both quality and cost along with customer satisfaction and takes advantage of emerging opportunities and has been very resourceful in his approach and implementation of strategies.

He has held various important positions in the Indian Industry, such as the President, Confederation of Indian Industry and the President, Society of Indian Automobile Manufacturers.

He has several prestigious awards to his credit including the Padma Bhushan, the third-highest civilian award of India. The distinguished civilian honour "Order of Diplomatic Merit" (Heung-In Medal) was conferred by the President of Korea for his valuable contribution to promote Korea-India bilateral relations.

He was awarded the Deming Distinguished Service Award for Dissemination and Promotion (Overseas) Award (2019) by Japanese Union of Scientists and Engineers (JUSE); the Ishikawa-Kano Award (2012) by the Asian Network of Quality, the apex body for quality in Asia. Under his leadership, his companies were awarded the Deming Prize and the Japanese Quality Medal in 2002.

In 2023, he was presented with the Outstanding Institution Builder of the Year award by All India Management Association (AIMA) for displaying exceptional vision and leadership in building an institution. He was conferred with Lifetime Achievement award by CNBC-TV18's India Business Leadership Awards (IBLA) in 2023.

In 2024, Ernst & Young, recognized him with the Lifetime Achievement award for his decades of entrepreneurial excellence in revolutionizing the two-wheeler industry in India.

In 2024, he was honoured with the Lifetime Achievement Award by the prestigious ET Awards for Corporate Excellence. The award honors Mr Venu Srinivasan's "unparalleled contributions to Indian manufacturing, leadership and corporate social responsibility".

Mr Srinivasan's dedication to the transformation of rural India by empowering women in the rural areas can be seen through his passion towards setting up the Srinivasan Services Trust which has touched the lives of 1.6 million people in 2500 villages across the country in the last 29 years.

Mr Venu Srinivasan is the Chairman of InKo Centre (The Indo-Korean Cultural and Information Centre) which is a non-profit society set up in 2006 with support from TVS Motor Company Limited and Hyundai Motor India Limited to promote a sustainable, meaningful intercultural dialogue between India and South Korea.

Glossary

Abbreviation	Full Form
ACC	Advanced Chemistry Cell
AGM	Annual General Meeting
BHP	Brake Horsepower
BRSR	Business Responsibility and Sustainability Report
CE & MD	Chairman Emeritus and Managing Director
CFO	Chief Financial Officer
CS	Company Secretary
CSR	Corporate Social Responsibility
DP	Depository Participant
DIN	Director Identification Number
D&CEO	Director & Chief Executive Officer
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ESG	Environmental, Social, and Governance
EV	Electric Vehicle
FAME	Faster Adoption and Manufacturing of Hybrid and Electric Vehicles
FY	Financial Year
₹	Indian Rupee (₹) symbol used in accounting/ finance
IC	Internal Committee
IEPF	Investor Education and Protection Fund
IFSC	Indian Financial System Code
IND AS	Indian Accounting Standards
IQL	Institute for Quality & Leadership
KMP	Key Managerial Personnel
LC	Large Corporate
MICR	Magnetic Ink Character Recognition
MSI	My Sustainability Index
MD	Managing Director
MCA	Ministry of Corporate Affairs
MRV	Measurement, Reporting, and Verification
NE-ID	Non-Executive Independent Director
NRC	Nomination and Remuneration Committee
NSDL	National Securities Depository Limited
OAVM	Other Audio Visual Means
ORM	Online Reputation Management
OTP	One Time Password
PAN	Permanent Account Number
PAT	Profit after tax
PLI	Production Liked Incentive Scheme
PM-E Drive Enhancement	PM Electric Drive Revolution in Enhancement

Abbreviation	Full Form
POSH	Prevention of Sexual Harassment (Act)
PwD	Persons with Disabilities
R&D	Research & Development
RTA	Registrar and Transfer Agent
SEBI	Securities and Exchange Board of India
SMP	Senior Management Personnel
SRN	Service Request Number
STA	Share Transfer Agent
TVSM	TVS Motor Company
UPSI	Unpublished Price Sensitive Information
VC	Video Conference
FFT	Fast Fourier Transform
LTI	Lost Time Injury
SLA	Stereolithography
GTT	Glide Thru-Technology
ISG	Integrated Starter Generator
ISS	Idle Start Stop
SDG	Sustainable Development Goal
MSI	My Safety Index
TCFD	Task Force for Climate Related Financial Disclosure
IWP	Internal Water Pricing
ZWL	Zero Waste to Landfill
BIA	Biodiversity Impact and Risk Assessment
IBBI	Indian Business and Biodiversity Initiative (IBBI)
LCA	Lifecycle Analysis
UNDP	United Nations Development Programme
C&G	Car and General
LMS	Learning Management System
GPMD	Global Programme for Management Development
LPP	Leadership Plus Programme
ELP	Emerging Leaders' Programme
LTIFR	Lost Time Injury Frequency Rate

Notes

Notes

INDIA
TO THE DEAD OF THE INDIAN ARMIES WHO FELL AND ARE HONOURED
IN FRANCE AND FLANDERS MESOPOTAMIA AND PERSIA EAST AFRICA GALLIPOLI AND ELSEWHERE
IN THE NEAR AND THE FAR EAST AND IN SACRED MEMORY ALSO OF THOSE WHOSE NAMES ARE HERE
RECORDED AND WHO FELL IN AFGHANISTAN ON THE NORTH WEST FRONTIER AND DURING THE THIRD AFGHAN WAR
TVS
KING

Concept, content and design at stirrup | whatsup@stirrup.works

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TVS Motor Company Limited
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Nungambakkam, Chennai – 600 006

www.tvsmotor.com

HOME CREDIT INDIA FINANCE PRIVATE LIMITED

BOARD OF DIRECTORS

Mr. K Gopala Desikan

Mr. Balasubramanyam Sriram

Dr. Deepali Pant Joshi

Mr. Kunnawalkam Elayavalli Ranganathan

AUDIT COMMITTEE

Mr. Balasubramanyam Sriram

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

NOMINATION AND REMUNERATION COMMITTEE

Dr. Deepali Pant Joshi

Mr. Balasubramanyam Sriram

Mr. K Gopala Desikan

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

Dr. Deepali Pant Joshi

IT STRATEGY COMMITTEE

Dr. Deepali Pant Joshi

Mr. K Gopala Desikan

Mr. Kunnawalkam Elayavalli Ranganathan

INTEGRATED RISK MANAGEMENT COMMITTEE

Mr. K Gopala Desikan

Dr. Deepali Pant Joshi

Mr. Kanawauke Elayavalli Ranganathan

ASSET LIABILITY MANAGEMENT COMMITTEE

Dr. Deepali Pant Joshi

Mr. Balasubramanyam Sriram

Mr. K Gopala Desikan

CUSTOMER SERVICE COMMITTEE

Mr. Vivek Singh

Mr. Ashish Tiwari

Mr. Anirban Majumder

Ms. Esha Pruthi

Mr. Sameer Katdare

Ms. Harshita Uppal

COMMITTEE OF THE EXECUTIVE FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUDS

Mr. Vivek Singh

Mr. Sameer Katdare

Mr. Anirban Majumder

Mr. Vikas Aggarwal

Ms. Niti Bansal

Mr. Sangram Sanjay Salunke

Mr. Rajan Kumar Singh

CHIEF EXECUTIVE OFFICER

Mr. Vivek Singh

CHIEF FINANCIAL OFFICER

Mr. Anirban Majumder

COMPANY SECREATRY

Ms. Neha Gupta

STATUTORY AUDITORS

M/s S.R. Dinodia & Co., LLP

Chartered Accountants

K-39 Connaught Place, New Delhi- 11000, India

Email ID: srdinodia@srdinodia.com

Website: www.srdinodia.com

SECRETARIAL AUDITOR

M/s. Anjali Yadav and Associates

B-6/32, Sector-15, Rohini, New Delhi- 110085

Email ID: anjaliyadav.associates@gmail.com

Website: www.csanjlai.com

REGISTERED OFFICE

S-7, Second Floor, Manish Chambers 4, Plot No. 7, LSC, Sector-12, Dwarka, Delhi, District Court Complex Dwarka, Southwest Delhi, Delhi, India,110075

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors have the pleasure of presenting the 28th Annual Report and the audited accounts of the Company for the year ended March 31, 2025.

1. Business and Financial Performance

The highlights of the financial performance of the Company are given below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	(INR in Crores)	*(INR in Crores)*
Revenue from operations	2096.5	1927.0
Other Income	4.7	5.5
Total Income (A)	**2101.2**	**1932.5**
Finance costs	435.8	401.2
Employee benefits expenses and other expenses	731.0	661.7
Impairment on financial instruments	751.1	594.4
Depreciation and amortization	88.2	86.6
Total Expenses (B)	**2006.1**	**1743.9**
Profit/ (Loss) before Tax & Exceptional Item (A-B)	**95.1**	**188.6**
Less: Exceptional Item	62.6	-
Profit/ (Loss) before Tax	**32.5**	**188.6**
Less: Tax Expense		
- Current tax	51.5	-
- Deferred tax expense	511.0	46.8
Profit/ (Loss) after Tax	**(530.0)**	**141.8**
Other Comprehensive Income	5.4	(2.8)
Income Tax on Other Comprehensive Income	(1.4)	0.7
Total Comprehensive Income/ (loss)	**(526.0)**	**139.7**
Balance brought forward from previous year	(2084.5)	(2195.8)
Transfer to statutory reserve	-	(28.4)
Surplus/(Deficit) carried to Balance Sheet	**(2610.5)**	**(2084.5)**

Company Performance Overview

For the year ended on March 31, 2025, the Company recorded an 8% growth in disbursements, increasing from INR 6,327 Crores as on March 31, 2024, to INR 6,830 Crores as on March 31, 2025. The gross loan portfolio registered a marginal increase of 1%, closing at INR 5,566 Crores as on March 31, 2025, as compared to INR 5,535 Crores as on March 31, 2024. The gross loans portfolio comprised of two key segments as of March 31, 2025: Cash Loans, making up 72% of the total and Consumer Durable Loans, accounting for the remaining 28%.

Consumer Durable Loans: The Company's Consumer Durable Loans portfolio witnessed significant growth, rising by 33% to INR 1,567 Crores as on March 31, 2025, from INR 1,176 Crores as on March 31, 2024.

Cash Loans: The Company experienced an 8% decline in its Personal Loans segment, with gross loans decreasing from INR 4,359 Crores as on March 31, 2024, to INR 3,999 Crores as on March 31, 2025. The decline in personal loans is mainly due to enhanced credit assessment standards, reflecting a cautious lending approach. This change is prompted by a tightened credit environment and macroeconomic uncertainties surrounding unsecured lending

The Company's total income for the year ended March 31, 2025, grew by 9%, reaching INR 2,101 Crores, against INR 1,932 Crores for the year ended March 31, 2024. The profit before tax (including Other Comprehensive Income) stood at INR 38 Crores for the year ended March 31, 2025, compared to INR 186 Crores for the year ended March 31, 2024.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India's economy to expand 6.5% in fiscal 2025, outpacing global peers

A resurgence in rural demand, fueled by improved agricultural prospects, is expected to have driven private consumption and boosted India's economic growth in fiscal 2025. Services activity is likely to have remained stable.

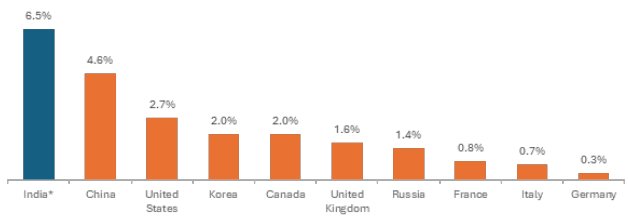
The National Statistical Office (NSO) and the International Monetary Fund (IMF) have projected a 6.5% growth in India's gross domestic product (GDP) in fiscal 2025, with the latter forecasting India to remain one of the fastest-growing economies.

According to NSO, India's real gross value added (GVA) grew 6.4% in fiscal 2025, compared with 8.6% in fiscal 2024. The financial, real estate and professional services sector maintained a dominant share in terms of sectoral composition of nominal GVA, growing 7.2% in fiscal 2025.

One of the key drivers of growth in fiscal 2025 was softer headline consumer price inflation, which is estimated to have declined to 4.7% from 5.4% in fiscal 2024, owing to lower food inflation. However, edible oils became a concern in the latter part of the fiscal, impacted by high global prices, import duties and a weaker currency.

In fiscal 2026, India's GDP is forecast to hold steady at 6.5%, assuming normal monsoon and stable commodity prices. Private consumption is expected to continue its recovery, while investment growth will depend on private sector capital expenditure (capex). However, the growth pickup is expected to be moderate due to a lower fiscal stimulus.

Real GDP growth for major economies, CY25



*Note: *Data is presented on a fiscal year basis (April 2024 – March 2025).*
Source: IMF World Economic Outlook January 2025, Crisil Intelligence

GDP growth to normalize 6.5% in fiscal 2026

Private consumption is expected to improve further on expectation of healthy agricultural production and cooling food inflation. Softer food inflation should allow discretionary spending.

Additionally, some easing in the Reserve Bank of India's (RBI) monetary policy is expected to support discretionary consumption. In February 2025, the RBI cut its policy rates by 25 basis points (bps)—its first since May 2020—prompted by easing inflation and slowing economic growth. This was followed by a further 25 bps cut in April 2025, bringing the repo rate down to 6.00%. The Monetary Policy Committee (MPC) shifted its stance from neutral to accommodative, citing benign inflation prospects and moderate demand growth. However, it remains cautious about the challenging global economic landscape, emphasizing the need for continuous monitoring and assessment, as well as proactive use of liquidity management tools to mitigate the impact of global market volatility.

Tariff hikes have also increased the uncertainty of the US Federal Reserve's monetary policy path, which could keep financial conditions volatile. Tariffs have added upside risks to inflation and downside risks to growth in the US. On domestic front, in lines with the accommodative stance by the MPC two more rate cuts of 25 bps each are expected in fiscal 2026.

The central bank's recent measures to improve liquidity and relax regulations for non-banking financial companies or NBFCs (reversal of the 25% increase in risk weight on banks' exposure to NBFCs) are expected to facilitate the transmission of the benefits of easier monetary policy to the broader economy.

India's growth rate is normalising towards its medium-term trend. Growth in fiscal 2026 will be supported by the following factors:

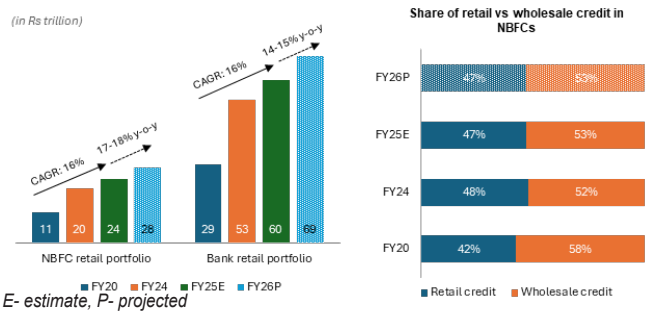
- The government's capex is budgeted at 3.1% of GDP at INR 11.2 lakh crore, up 10% from INR 10.2 lakh crore in fiscal 2025
- Healthy domestic consumption, particularly in fast-moving consumer goods, consumer durables and two-wheelers
- The government has reduced the income tax rates under the new tax regime, potentially increasing disposable income in the hands of the middle class. Tax slabs have also been revised, potentially reducing the tax burden across income levels
- The policy rate cuts by the RBI are expected to mildly support consumption, as these will gradually get transmitted to other interest rates in the economy, thus lowering borrowing costs
- Along with measures to spur consumption in the short term, the Union Budget 2025-26 also looks to improve employment and skilling, which will help boost permanent incomes and consumption in the medium-to-long term.

Secured segments to propel NBFCs' credit growth, albeit at a moderate pace

NBFCs have been a crucial part of India's financial ecosystem, bridging the credit gap in underserved areas. Their significance is underscored by their share in systemic credit (comprising banks and NBFCs) increasing by over 150 bps since fiscal 2020 to reach an estimated 23.2% as of March 2025.

Driven by their targeted focus on retail segments, NBFCs continue to outpace the overall systemic credit, clocking a CAGR of 14% between fiscals 2020 and 2025. In fiscal 2025, the retail segment saw strong expansion in secured asset classes, while the unsecured lending segments normalized from an elevated base. As a result, NBFCs expanded their outstanding credit by 16-18% on-year in fiscal 2025 and are expected to grow at a similar pace in fiscal 2026.

Credit growth momentum was sustained in fiscal 2024, driven by robust demand from key retail segments, building on the recovery in fiscal 2023 to pre-pandemic levels. The share of retail credit increased to 48% in fiscal 2024 from 42% in fiscal 2020. However, the credit market witnessed a shift from unsecured to secured asset classes in fiscal 2025, owing to concerns over asset quality in the former. As a result, the retail segment's share in the lending mix fell slightly to 47%, while the wholesale segment's share increased to 53%.



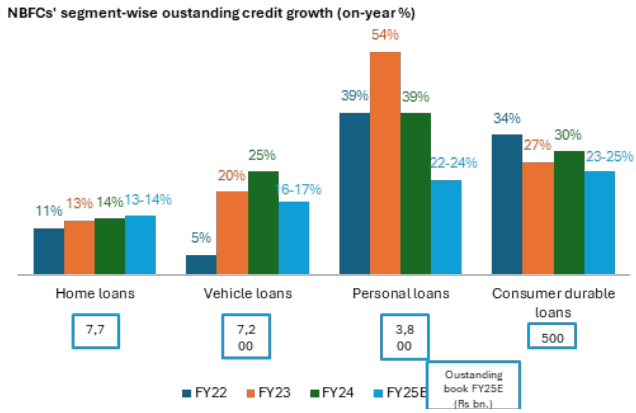
E- estimate, P- projected
Note:
1) Retail includes housing, vehicle, gold, microfinance, personal, consumer durables and education loans
2) Wholesale includes micro, small and medium enterprises, real estate and large corporate, infrastructure and construction equipment loans
Source: Industry, company reports, RBI, Crisil Intelligence

Within retail credit, the growth of NBFCs' vehicle finance portfolio moderated to 16-17% on-year in fiscal 2025 from 25% in fiscal 2024. The moderation was driven by a decline in the commercial vehicles segment, partially offset by growth in tractor and two-wheeler sales, led by improved rural sentiment. NBFCs' vehicle finance portfolio is expected to experience a modest uptick in fiscal 2026, aided by improving market sentiment and supported by the easing of domestic interest rates, following the RBI's 50 bps repo rate cut between February and April 2025, with further rate cuts anticipated in fiscal 2026.

The housing credit growth remained steady at 13-14% on-year in fiscal 2025, reflecting broader economic moderation and elevated interest rates. Nevertheless, the sector remained resilient, buoyed by rising disposable incomes, robust demand and stable property prices.

NBFCs' credit growth in the personal loan segment moderated to 22-24% on-year in fiscal 2025 from 39% in fiscal 2024 due to heightened concerns over asset quality, mainly on account of overleveraging, marked by a decline in unique borrowers in the past two years. The segment's small-ticket loans were particularly vulnerable to delinquencies and overleveraging. In response, the RBI took proactive measures, including increasing risk weights, which, in turn, led lenders to exercise caution and slow down disbursements to the segment.

NBFCs' consumer durable financing portfolio grew 23-25% in fiscal 2025, fuelled by strong mobile phone sales, higher credit penetration and the rise of fintech players. The tax relief announced in the budget for fiscal 2026 is expected to boost retail consumption and demand, driving credit growth in the consumer durable financing segment in fiscal 2026.



- *E-Estimate*

Source: RBI, National Housing Bank, company reports and Crisil Intelligence

Operational Performance

For the year ended March 31, 2025, the Company achieved broad-based growth across key performance indicators. A total of 28 Lakhs loan applications were sanctioned, reflecting a 17% increase over the previous year. Strategic collaborations and an expanded distribution network enabled disbursements totalling INR 6,830 Crores, marking an 8% year-on-year growth.

In line with its customer acquisition strategy, the Company onboarded approximately 16 Lakhs new customers during the year. The gross loan portfolio stood at INR 5,566 Crores as of March 31, 2025, comprising two key segments:

- Personal Loans: 72% of the portfolio
- Consumer Durable Loans: 28% of the portfolio

The Company recorded disbursements of INR 4,065 Crores for the year ended March 31, 2025, in the Consumer Durables segment, against INR 2,786 Crores recorded for the year ended March 31, 2024, representing a robust growth of 46%. The increase in Consumer durables disbursals is attributed to the expansion of the Feet-on-Street (FOS) network and the establishment of new partnerships with Original Equipment Manufacturers (OEMs).

On the other hand, the Personal Loan segment witnessed a decline. The disbursements fell by 8% from INR 3,541 Crores for the year ended March 31, 2024, to INR 2,765 Crores for the year ended March 31, 2025. The decline in personal loans is mainly due to enhanced credit assessment standards, reflecting a cautious lending approach. This change is prompted by a tightened credit environment and macroeconomic uncertainties surrounding unsecured lending.

The Company remains committed to providing transparent and accessible financial services. By continuously refining its offerings to meet evolving customer needs, the Company continues to support innovation, customer satisfaction, and long-term sustainable growth.

Fuelling Growth Through Distribution Expansion and Strengthened Collection Networks

During the year ended March 31, 2025, the Company continued to invest strategically in expanding its distribution and collection capabilities, reinforcing its mission to support a growing product portfolio while maintaining the highest standards of quality and operational efficiency.

Distribution Network Expansion

The Company adopted a multi-faceted strategy to broaden market reach and deepen penetration across key geographies. This was achieved through a combination of scaling

the distribution workforce, forging strategic partnerships, and building strong alliances with prominent industry players.

As a result, the Company's physical distribution footprint surpassed 35,000 points of sale across 21 states, supported by collaborations with leading OEMs. This extensive reach enabled the delivery of diverse and accessible EMI solutions tailored to the evolving needs of its customers.

Key distribution initiatives included:

- Deployment of innovative and permanent POS materials across over 15,000 retail outlets, enhancing brand visibility at critical customer touchpoints.
- Launch of eight financial education videos under the *#PaisekiPaatshala* campaign to promote financial literacy and customer empowerment.

A major highlight during the year was the #ShaandaarDiwali campaign under the *#ZindagiHit* theme. This initiative reinforced the Company's positioning as an enabler of aspirations, achieving over 1.9 Crores views and significant visibility across more than 12,000 POS outlets.

Looking ahead, the Company will continue to refine its POS strategies, strengthen network engagement, extend its financial literacy initiatives, and roll out innovative marketing campaigns across both digital and offline channels.

Enhanced Collection Strategy

The Company follows a risk-based approach to collections, segmenting customers based on origination profiles and payment behaviour. Customized collection strategies are deployed for each risk tier, encompassing:

- Pre-due date customer engagement
- Early-stage field interventions
- Internalizing collection efforts in key geographies to improve recovery rates

A robust internal tele-calling team forms the first line of defence, providing flexibility and responsiveness in designing collection strategies aligned with portfolio needs.

During the early part of year ended March 31, 2025, the Company's collection performance degenerated on account of macroeconomic headwinds, especially due to high number of unsecured borrowers. However, the Company swiftly implemented a series of corrective measures, including Optimizing floor capacity, Strengthening the external collection agency network and Intensifying focus on high-risk segments

These interventions helped mitigate the adverse effects of market conditions and maintain overall collection effectiveness. Looking ahead, the Company continues to advance its collections strategy by leveraging data analytics and predictive insights. These tools help proactively address emerging risks and ensure resilience against macroeconomic and portfolio-specific challenges

Strengthening Risk Management Through a Robust Framework

The Company has a comprehensive Risk Management Framework that integrates compliance seamlessly with business operations. This framework encompasses an end-to-end risk lifecycle, including effective identification, assessment, measurement, mitigation, and ongoing monitoring and reporting of various risks pertaining to people, process, technology, and vendors. This empowers the Company to make informed decisions, control portfolio risks, identify high-risk customer segments, and strategically adjust the credit policy to minimize exposure.

This framework is underpinned by a robust three-tier governance structure comprising:

1) First Line of Defence – Business functions responsible for risk identification and control
2) Second Line of Defence – Operational Risk team overseeing risk frameworks and compliance; and the
3) Third Line of Defence – Internal Audit ensuring independent review and validation

Oversight and effectiveness of the risk management framework are further reinforced through periodic reviews by the Integrated Risk Management Committee (IRMC). Additionally, the Company follows an established Operational Risk Framework supported by Risk Control Self-Assessments (RCSA), enabling dynamic and continuous evaluation of emerging risks and internal controls.

Based on the outcomes of various risk measurement methodologies, the Company deploys adequate risk responses within its risk management framework, which includes:

- Risk Acceptance – For risks within tolerance levels
- Risk Elimination – Where feasible, to completely remove exposure
- Risk Reduction – Through mitigation controls and process enhancements
- Risk Transfer – Via insurance or third-party arrangements

The critical and high risks areas are escalated to appropriate forums to ensure there is timely resolution and oversight. This structured and disciplined approach to risk management enables the Company to safeguard its operations, maintain regulatory compliance, and support long-term resilience and growth.

The Company continues to place strong emphasis on prudent credit risk management by deploying a comprehensive credit assessment and monitoring framework. This framework entails utilizing a comprehensive mix of demographic data, credit bureau data, and internal customer behaviour insights to tracks key metrics like bounce rates, delinquency trends, and repayment behaviour, etc.

In addition, the Company conducts regular credit bureau data scrubbing exercises to assess off-us leverage and gain timely visibility into customers' overall debt exposure.

Strengthening Digital Infrastructure for Sustainable Growth

The Company has been investing in Information Technology (IT), transitioning from legacy systems to modern and agile digital platforms. This digital evolution has markedly enhanced both internal efficiencies and external stakeholder interactions, reinforcing the Company's commitment to operational excellence and regulatory compliance

The key milestones during the year included the successful implementation of several mission-critical regulatory initiatives such as Video KYC, Key Fact Sheet (KFS) modifications, CRC-based customer risk classification and DRC testing. These initiatives have ensured continued alignment with evolving regulatory frameworks (TRAI and RBI).

Operational resilience continued to be a strategic imperative, with the Company demonstrating exceptional system performance through a sustained uptime even during high-demand periods such as the Diwali season. This superior reliability, surpassing industry benchmarks, played a critical role in fortifying business continuity, enhancing customer satisfaction, and upholding service excellence at scale

Looking ahead, the Company will continue to prioritize maintaining high service availability, optimizing system performance, and ensuring alignment with evolving TRAI and RBI guidelines. These strategic initiatives are designed to bolster operational agility, enhance regulatory compliance, and drive sustainable long-term success.

Elevating the Digital Lending Journey with Innovation

The Company continues to set new benchmarks in the digital lending space, seamlessly blending technology with customer-centric design to deliver an elevated borrowing experience. The Company's mobile application serves as a one-stop digital platform for Consumer Durable and Personal Loan customers, supporting end-to-end loan lifecycle management.

For the year ended March 31, 2025, the Company achieved significant milestones in its digital transformation journey, reaching an installed user base of approximately 45 Lakhs. A key enhancement was the introduction of Video KYC, which now facilitates a fully digital and hassle-free loan application process across all loan values and tenures.

Further simplifying access to credit, the Company introduced a two-click personal loan eligibility check, redefining convenience by allowing users to assess their credit options in seconds. The integration of Instant Aadhaar verification and UPI-based e-mandate registration accelerated the loan sanction and servicing process enhancing the customer experience. Consequently, the footprint on the website was substantially increased during the year leading to greater customer base.

These innovations are a testament to Company's unwavering commitment to shaping the future of digital finance—delivering intuitive, and intelligent solutions that place customers at the centre of every innovation.

Excelling in our Customer Experience Journey

As part of its unwavering commitment to delivering a seamless, customer-centric experience, the Company has implemented a series of strategic initiatives designed to enhance user satisfaction and strengthen brand trust. Guided by a clear "customer-first" philosophy, these initiatives are anchored in four key pillars: real-time feedback integration, proactive digital engagement, customer-led product refinement, and expanded self-service capabilities.

The Company continues to leverage data, technology, and customer insights to drive targeted, meaningful engagement. Advanced machine learning models were developed to identify customers most likely to require credit and their preferred communication channels, enabling sharper targeting and improved engagement effectiveness. Expanded data sets further enhanced decision-making and service personalization. By

adopting a data-driven approach, marketing campaigns were refined to remain relevant, personalized and minimising promotional fatigue.

A significant milestone in the Company's customer-centric journey was the successful full-scale deployment of the Transactional Net Promoter Score (tNPS) framework. This achievement underscored the Company's ongoing commitment to enhance customer satisfaction and operational excellence. To further strengthen the customer experience and drive efficiency, the Company rolled out a series of strategic initiatives that led to improved service quality and a noticeable decline in customer complaints.

Elevating Brand Visibility and Engagement with Innovative Digital Strategies

During the year, the Company placed strong strategic emphasis on enhancing brand visibility, deepening audience engagement, and amplifying its digital footprint through a range of innovative, content-led initiatives. These efforts were thoughtfully anchored in the themes of financial empowerment, customer-centric communication, and purpose-driven collaborations, aimed at building a trusted and relatable brand identity in the evolving digital landscape.

The Company made significant strides in enhancing its media presence, reinforcing its reputation as a credible and customer-centric company. A total of 1,345 media stories were published, consisting of 686 print and 659 online articles. Notably, Category A media mentions doubled to 715, underscoring the brand's growing prominence in top-tier publications.

Social media campaigns were crafted to foster authentic, interactive engagement, leveraging formats such as contests, user-generated content, and topical storytelling. Standout initiatives included:

- The International Women's Day campaign, celebrating inclusion and empowerment,
- The 'Smartphone Unboxing and Review' video series, which connected product education with engaging digital content, and
- The festive #ShaandaarDiwali campaign, which elevated seasonal brand resonance.

To strengthen financial literacy and customer awareness, the Company expanded its video-first content strategy, introducing educational series such as:

- 'Paise Ki Paathshala', which demystifies everyday financial concepts,
- 'FinTalk with Home Credit', a platform for expert-led discussions on financial well-being, and
- 'Scam Se Satark', a fraud awareness series promoting secure digital behaviour.

These initiatives were instrumental in positioning the Company as a responsible financial enabler, committed to empowering customers through knowledge.

In parallel, the Company advanced its corporate narrative and thought leadership positioning through focused communication efforts:

- Published flagship consumer studies including "How India Borrows 2024" and "The Great Indian Wallet 2024", generating over 700 media clippings, reflecting significant media interest and stakeholder relevance.
- Released targeted press notes and conducted thematic media outreach, resulting in 68 dedicated media features across mainstream platforms.
- Secured 91 placements of leadership-authored articles, covering key themes such as financial inclusion, digital transformation, and responsible lending—demonstrating the Company's voice on issues of national importance.
- The #ShaandaarDiwali campaign further bolstered festive brand visibility, achieving 57 earned media mentions.

These sustained, strategic efforts have played a pivotal role in building brand equity, fostering stakeholder trust, and positioning the Company as a thought leader in the financial services ecosystem.

Annual Campus Engagement Programme

To support mass hiring for entry-level roles, the Company employs a community-based approach, collaborating with local institutes, NGOs, and training partners to address immediate business needs. This strategy ensures quick access to relevant talent. Additionally, the Company utilizes key recruitment platforms alongside structured internal referral programs, to maintain a steady, high-quality talent pipeline that supports scalable workforce growth across the Company**.**

Strengthening Our Workforce: Commitment to Employee Development and Well-being

The Company recognize the workforce as its most critical asset. In today's competitive talent landscape, the Company is dedicated to attracting, developing and retaining the right talent while fostering a work culture that enables employees to realize their full potential. With a workforce of 4,148 employees as on March 31, 2025, the Company experienced significant growth this year. In line with our growth journey, the Company has placed strategic emphasis on fostering human capital through proactive development programs that prepare them for future challenges. The Company is committed to providing a dynamic and competitive work environment that empowers employees to thrive—driving excellence in productivity, efficiency, and customer satisfaction.

The Company prioritized a flexible and inclusive training culture recognizing that each employee has a unique learning style. Emphasizing on continuous learning and development, the Company successfully concluded key program including Junior Odyssey (First time manager program), Middle Odyssey (Leadership Excellence program for middle management) and Mission Vikas (Peer-to-peer learning program for Trainers) and Quality Analysts along with other on-the job, instructor-led and self-paced interventions showcasing our commitment to building a future- ready workforce.

The Company's commitment to fostering a high-performance culture was reinforced through several strategic initiatives, including developing a capability model to identify critical competencies and enhancing talent through mentoring and cross-functional projects. During the year ended March 31, 2025, a strong emphasis was placed on Customer Centricity trainings for customer-facing roles that reinforced the Company's focus on delivering exceptional services.

In addition, the Company reinforced a culture of performance and meritocracy by implementing transparent goal-setting frameworks that aligned with its strategic objectives. Acknowledging the challenges of attracting and retaining top talent, the Company introduced comprehensive training programs and targeted retention initiatives, aimed at building a skilled, motivated, and future-ready workforce.

The Company remains committed to providing the employees with avenues for growth and career advancement. LEAP (Leveraging Employee Ability Program), designed specifically for front-line employees, has been instrumental in offering career growth opportunities and has significantly contributed to talent retention within the Company. Additionally, the Company's transparent Internal Job Posting (IJP) system empowered employees to pursue roles aligned with their interests. Together, these initiatives have enhanced internal mobility and enabled the workforce to build multidisciplinary capabilities—contributing to a more agile, well-rounded, and future-ready talent workforce.

The Company strongly believes in fostering a healthy work culture and celebrating achievements both big and small to support this vision, a range of people-centric initiatives were implemented, including comprehensive rewards and recognition programs, employee engagement activities, and leadership connect sessions. These programs catered to a diverse workforce across different career stages, ensuring continuous motivation. Simultaneously, to strengthen team affiliation and engagement, we organized regular team-building activities and celebrations on a weekly or fortnightly basis, as well as during festive occasions. Acknowledging the importance of work-life balance, the Company also offered employees the flexibility to work remotely, enabling them to effectively manage both professional and personal priorities.

Further enhancing the employee experience, the Company has achieved near-complete digitization of its HR operations. These digital enablers reinforce our commitment to agility, transparency, and continuous learning.

Through these initiatives, the Company reaffirms its commitment to employee growth and development, fostering a motivated and agile workforce aligned with the Company's long-term success.

Community Support Initiatives

As part of our continued commitment to financial inclusion and empowerment, the Company strengthened its Corporate Support initiative, 'Saksham – The Financial Literacy Program', during the year ended March 31, 2025. The program is designed to promote financial awareness and responsible financial behaviour, with a special focus on underprivileged women and college students.

During the year, Company collaborated with Sewa Bharat, a reputed NGO, to expand the outreach of this initiative. Through this partnership, Saksham successfully educated over 20,000 underprivileged women, equipping them with essential knowledge on budgeting, saving, credit usage, digital finance, and consumer rights. This effort reaffirms our belief in inclusive growth and our commitment to creating long-term socio-economic impact through financial education.

Robust Asset Liability Management and Strategic Funding Performance

The Company has constituted Asset Liability Committee (ALCO) in line with guidelines issued by RBI to monitor asset liability mismatches, liquidity position, funding sources, liquidity and interest rate risks management and compliance with various regulatory

guidelines and lenders stipulations.

As on March 31, 2025, the Company's outstanding borrowings stood at INR 3,928 Crores. Despite a challenging macroeconomic environment, the Company successfully raised INR 3,906 Crores in fresh borrowings during the year including a mix of both long-term and short-term instruments to meet evolving business needs. This achievement not only highlights the Company's robust access to capital markets but also reflects the enduring trust of its lending partners.

The key enabler of the successful fundraise was the Company's deep-rooted and long-standing relationships with a well-diversified base of lending partners. These partnerships were instrumental in structuring customized funding solutions aligned with the Company's unique asset profile and strategic market positioning. This collaborative and relationship-driven approach allowed the Company to remain agile, optimize borrowing costs, and navigate dynamic market conditions with confidence and speed.

The Company maintained a prudent asset-liability management (ALM) framework, ensuring positive cumulative mismatches across all maturity buckets. In addition, the Company sustained a robust liquidity position, consistently achieving Liquidity Coverage Ratios (LCR) that exceeded the minimum regulatory requirements. All liquidity ratios maintained within ALCO approved tolerance limits. Importantly, the Company met all its interest and principal repayment obligations on time, and the value of hypothecated assets remained sufficient to meet lender claims, further cementing lender confidence.

During the year, the Company's capital position was bolstered through an infusion of Tier I capital, resulting in a Capital Adequacy Ratio (CAR) of 19.23% as on March 31, 2025, well above the regulatory threshold. This robust capital buffer not only supports ongoing business expansion but also provides resilience against macroeconomic volatility.

These efforts showcased the Company's disciplined approach to financial prudence, strategic capital planning and long- term stakeholder value creation. With diversified funding avenues and disciplined risk management practices, the Company is well-positioned to drive sustainable growth, enhance customer experience, and confidently navigate an evolving economic landscape.

In a strong endorsement of its financial resilience and governance standards, the Company's credit rating was upgraded by Care Ratings from BBB+ (Rating Watch with Developing Implications) to AA- (Stable). This upgrade reflects improvements in asset quality, financial performance, and capital adequacy, and enhances future fundraising prospects at competitive terms.

Internal Control Systems and their Adequacy

The Company has a well-defined and effective internal control systems, designed in alignment with operations and the complexity of the sector it works in. These detailed controls ensure effective and productive use of resources, safeguarding of Company's assets, and maintaining the accuracy and integrity of financial and operational data.

The Company has also formulated a risk-based internal audit policy as part of its oversight function. The objective of risk-based internal audit reviews is to identify key activities and controls in business processes, review the effectiveness of these processes and controls. It also involves assessing the operating effectiveness of internal controls and providing recommendations for business processes and internal control enhancements. Stringent follow-up is done for the implementation of corrective actions and improvements in business processes which is periodically reviewed by the Audit Committee/Management at timely intervals.

Outlook

India's credit landscape is poised for significant growth, driven by rising financial awareness, the government's continued push for financial inclusion, and improved credit access for underserved populations. Retail credit is expected to be a major contributor to this expansion.

The Company also remains committed to employee growth and development through comprehensive, people-centric initiatives. By investing in capability-building and fostering an agile, motivated workforce, the Company is equipping its employees to meet future challenges and contribute meaningfully to organizational goals.

Looking ahead, the Company will maintain a sharp focus on ethical practices, quality-driven growth, sound asset quality and liquidity, enhanced profitability, and adherence to the highest standards of corporate governance.

Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contains forward-looking statements regarding the Company's objectives, projections, expectations, and estimates. These statements are based on certain assumptions and expectations about future events, but the Company cannot guarantee their accuracy or realisation. Actual results, performance, or achievements could differ substantially or materially from those expressed or implied in such forward-looking statements due to external factors beyond the Company's control. The Company assumes no responsibility to publicly update or revise any forward-looking statements based on subsequent developments.

1. SHARE CAPITAL

Capital Structure

The Authorised Share Capital of the Company as on March 31, 2025, was INR 21,00,00,00,000/- (Indian Rupees Twenty-One Hundred Crores Only) comprising of 2,10,00,00,000 (Two Hundred Ten Crores) equity shares of INR 10/- (Indian Rupees Ten only).

During the year under review, the Company issued and allotted 4,07,16,613/- equity shares having a face value of INR 10 per share at a premium of INR 2.28 per share on Private Placement/ Preferential basis. Consequent to the aforesaid allotment, the issued and paid-up Equity Share Capital as on March 31, 2025, stands at INR 11,31,80,57,890/- (Eleven Hundred Thirty One Crores Eighty Lakhs Fifty-Seven Thousand Eight Hundred Ninety Only).

Further, as of March 31, 2025, the Company's entire paid-up share capital is in dematerialized form. Additionally, the Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants, or any other convertible instruments that could impact its equity structure.

Non-Convertible Debentures

During the year under review, the Company has not issued any Non-Convertible Debentures.

2. DIVIDEND

Due to the losses in FY 2024-25, no dividend is permitted to be paid to the members as per the provisions of the Companies Act, 2013 (the "Act") and rules made thereunder.

3. TRANSFER TO RESERVES

Pursuant to guidelines issued by Reserve Bank of India, the Company is required to transfer 20% of its profits to the Reserves in terms of section 45-IC (1) of the Reserve Bank of India Act, 1934. In the absence for any profits for the FY ended March 31, 2025, your directors express their inability to transfer any amounts to the General Reserve.

4. PUBLIC DEPOSITS

The Company is a non-deposit taking Non-Banking Financial Company and has not accepted any deposits during the year under review. The Board has also passed a resolution for non-acceptance of deposits from the public.

5. FINANCIAL STATEMENTS

The Company has prepared its Financial Statements in conformity with the provisions of Section-129 of the Act, Indian Accounting Standards prescribed under Section 133 of the Act, 2013, Companies (Indian Accounting Standard) Rules, 2015, Companies (Accounts) Rule, 2014 and circulars, guidelines, directions issued by Reserve Bank of India, from time to time. The audited financial statement together with Auditor's report form part of the Annual Report.

Holding Company

TVS Holdings Limited is the holding company and holds 81.04% equity shares as on date of this report.

Subsidiary/Associate Companies

The Company has no subsidiary or associate in India as defined in the Act.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the Company has received the approval from the Competition Commission of India and the Reserve Bank of India for change in shareholding / control and change in management. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited"), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company. Pursuant to such change in control/acquisition, the Board of the Company has been reconstituted w.e.f February 03, 2025, as follows:

A. **Directors Appointed:**

1. Mr. K Gopala Desikan, Non-Executive Director
2. Dr. Deepali Pant Joshi, Independent Director
3. Mr. Kunnawalkam Elayavalli Ranganathan, Independent Director
4. Mr. Balasubramanyam Sriram, Independent Director

B. **Directors Resigned:**

1. Mr. Ondrej Kubik, Whole-time Director
2. Mr. Anirban Majumder, Whole-time Director
3. Ms. Esha Pruthi, Whole-time Director
4. Mr. Rakesh Kapoor, Independent Director
5. Mr. Jagdish Prasad, Independent Director
6. Mr. Jean Lafontaine, Independent Director
7. Mr. Jean Pascal Pierre A. Duvieusart, Independent Director
8. Mr. Pavel Rozehnal, Independent Director
9. Mr. Sarpreet Singh Benipal, Independent Director

Directors Liable to Retire by Rotation

In terms of Section-152 of the Act, two- third of the total number of Directors i.e., excluding Independent Directors are liable to retire by rotation and out of which, one-third are liable to retire by rotation at every Annual General Meeting.

Mr. K Gopala Desikan, Non-Executive Director, who is liable to retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee shall consider and recommended his re-appointment after evaluating his track record, integrity, and other fit and proper criteria as laid down under RBI guidelines.

Women Director

In compliance with Section 149 of the Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Deepali Pant Joshi is the Independent Women Director of the Company.

Declaration and Undertaking

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed under Paragraph 96 of Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of section 164(2) of the Act.

Independent Director (IDs)

In accordance with Section 149(7) of the Act, all IDs have declared that they meet the criteria of independence as provided under Section 149(6) of the Act, and the Board confirms that they are independent of the management.

The detailed terms of appointment of IDs are disclosed on the Company's website in the following link www.homecredit.co.in/en/corporate-governance. All the IDs have been registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act and obtained ID registration certificates.

Separate Meetings of Independent Directors

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on December 24, 2024, inter alia, for the following:

1. To review the performance of Non-Independent Directors and the Board as a whole.
2. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Both the Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Mr. Rakesh Kapoor as the Chairman for the meeting, deliberated on the above and expressed their satisfaction on all matters.

Performance Evaluation of the Board

Pursuant to the provisions of Sec 134(3)(p) read with Sec 178 of the Act, a formal evaluation of the performance of the Board, it's Committees, Individual Directors and the Chairperson was carried out for FY 2024-2025.

1. The evaluation was carried out using questionnaire covering, amongst others, composition of Board, effective decision making, advice and necessary guidance, open communication, meaningful participation, knowledge & expertise of Directors, contribution at Board meetings etc. Further, Individual Directors (Executive, Non- Executive and Independent) were evaluated in terms of participation in the meetings of Board and Committees, Education & Qualification, effective examination of the financial and other information related to the operations of the Company, raising of valid concerns, impartial & meaningful participation, and adequate deliberations in the meeting.

1. As part of the evaluation process, the performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated. The performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors in its meetings. The criteria for evaluation of the Board as a whole, inter alia, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfilment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, etc. The feedback of the Independent Director on their review of the performance of Non-Independent Directors, Chairman of the Board, and the Board as a whole and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board was taken into consideration by the Board in carrying out the performance evaluation.

2. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board. The actions emerging from the Board evaluation process were collated and on consolidated basis, the summary of the ratings was prepared, and the report of performance evaluation so arrived at, was then noted, and discussed by the Board.

The performance evaluation concluded on the note that each of the individual directors, Committees, and the Board as a whole, were performing efficiently and effectively and shared a common vision to turning organization goals into reality. The entire performance evaluation process was completed to the satisfaction of Board.

Key Managerial Personnel

During the year under review, Mr. Ondrej Kubik has resigned from the post of Chief Executive Officer of the Company w.e.f February 21, 2025.

The Board, in its meeting held on April 7, 2025, approved the appointment of Mr. Vivek Singh as the Chief Executive Officer (CEO) of the Company. Mr. Singh holds a graduate degree from Symbiosis College of Arts & Commerce and an MBA from Bharti Vidya Peeth-Pune University. With over 21 years of experience in the financial services sector, he has a proven track record in business management, product expansion, and strategic leadership.

Mr. Singh has been instrumental in growing the Two-Wheeler finance book to over Rs. 16,000 Crore and has consistently delivered strong results through a combination of product management expertise and execution excellence. His leadership has also driven significant advancements in customer engagement through the use of technology and digital tools. Having previously held key roles at IDFC First Bank, TATA Capital, TATA Motor Finance, and ICICI Bank, Mr. Singh's extensive industry experience and strategic vision make him well-suited to lead the Company as CEO.

Mr. Vivek Singh, Chief Executive Officer, Mr. Anirban Majumder, Chief Financial Officer and Ms. Neha Gupta, Company Secretary of the Company are the Key Managerial Personnel of the Company as on the date of this report.

7. STATUTORY AUDITORS

In compliance with the RBI Guidelines and in terms of the provisions of Section 139 of the Act, shareholders of the Company at the 27th Annual General Meeting (AGM) held on September 09, 2024, has, on the recommendations of the Board of Directors, appointed M/s S.R. Dinodia & Co., LLP (Firm No. FRN 001478N/N500005), Chartered Accountants as the Statutory Auditors of the Company for a consecutive term of 3 years (2024-25 to 2026-27) to hold office from the conclusion of the 27th AGM till the conclusion of the 30th AGM of the Company.

Further, in compliance with the RBI Guidelines, the Board has approved and adopted a Policy for appointment of Statutory Auditors of the Company, which can be accessed on the Company's website.

The Auditors' Report to the shareholders does not contain any qualification, reservation, or adverse remark. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments. Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

8. SECRETARIAL AUDITOR

The Board of Directors appointed M/s Anjali Yadav & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for FY 2024-25 for conducting the audit of the secretarial and related records of the Company.

Pursuant to the provisions of Section 204 of the Act, the Company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed format.

Accordingly, the report received from M/s Anjali Yadav & Associates, Secretarial Auditors of the Company is annexed to this Board Report as ***Annexure A***. The Report does not contain any qualification, reservation or adverse remark.

Compliance With Secretarial Standards

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has, on April 23, 2015, notified the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS–2) effective from July 1, 2015, and revised from time to time. The Company is in fully compliant with the same.

9. DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act, the Board of Directors hereby confirms that:

a. In preparation of the Annual Accounts for the FY ended March 31, 2025, the applicable Accounting Standards had been followed along with proper explanation to material departures.

b. The Directors had 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 at the end of the FY and of the profit or loss of the Company for that period.

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The Directors had prepared the Annual Accounts on a going concern basis.

e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. The Directors had devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

10. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014. The Annual Return in form MGT-7 as of March 31, 2025, shall be made available on the website of the Company and can be accessed at https://www.homecredit.co.in/en/corporate-governance

11. CORPORATE GOVERNANCE

Effective corporate governance practice constitutes the strong foundation, on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance superintends business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Key Elements of Corporate Governance are as follows:

- Compliance with applicable laws and adopting best practices.
- Proactive adherence to the regulations.
- Benchmarking and adopting best practices among banks, peers and other leading organisations.
- Number of Board and Committee meetings are more than the statutory requirement, including meetings dedicated for discussing strategy, operating plans and risks.
- The Board comprises of Directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Panel of independent directors with outstanding track record and reputation.
- The Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Integrated Risk Management Committee, Asset Liability Management Committee and IT Strategy Committee comprising of independent Board members.
- Independent discussions by the Audit Committee members with Internal Auditor without presence of Senior Management on a quarterly basis.
- Independent Discussions by the Board members with Chief Risk Officer without presence of Senior Management on a quarterly basis.
- Independent Discussions by the Board members with Chief Compliance Officer without presence of Senior Management on a quarterly basis.
- Separate meeting of independent directors without presence of non-independent directors.
- Evaluation process where each Board member evaluates the performance of every Director, Committees of the Board, the Chairman of the Board and the Board as a whole.
- Complete and detailed information provided to Board members in advance to enable them to evaluate matters carefully for meaningful discussions.
- Adoption of key governance policies in line with the best practices, which are made available to stakeholders for viewing and downloading from the Company's website.

The Company not only views Corporate Governance principles as set of binding obligations but believes in using it as a framework to be followed in true spirit. The Company makes a constant endeavour to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government, and others. The Company's activities are carried out in accordance with high quality corporate practices and the Company is constantly striving to finer these by adopting best practices.

The Company embraced ethical, transparent, accountable conduct and creating a culture where the Directors and employees have been empowered to bring any wrongful conduct to notice. The Company practiced zero tolerance toward sexual harassment at the workplace and it also have the Policy on prevention of sexual harassment at workplace to create a healthy working environment for all genders of employees in the Company.

The Corporate Governance Report for the year under review regarding the compliance with the conditions of the Corporate Governance is attached herewith as ***Annexure* B.** Further, the additional disclosure requirements for NBFCs in accordance with the SBR framework forms part of the Corporate Governance Report.

Board Meetings

During the year under review, the Board met 10 times on April 23, 2024, April 25, 2024, May 29,2024, June 28, 2024, July 31, 2024, August 13, 2024, November 20, 2024, January 27, 2025, February 03, 2025, and March 26, 2025, and the gap between the two meetings did not exceed one hundred and twenty days.

The Board committees are integral to the Company's governance framework and have been established to address specific areas in compliance with the applicable provisions of the Companies Act, 2013, and the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, as amended from time to time.

The Board has constituted the following committees i.e. Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Asset Liability Committee (ALCO), Integrated Risk Management Committee (IRMC), Information Technology Strategy Committee (IT Strategy), Customer Service Committee (CSC) and Committee of the Executive for Monitoring and Follow up of Cases of Frauds (COE).

Details of the committee composition, roles and responsibilities, meetings, and member attendance are provided in the Corporate Governance Report (***Annexure B***).

Terms of Reference of Nomination and Remuneration Policy

In accordance with Section 178 of the Act, the Company has formulated the Terms of Reference of Nomination and Remuneration Policy read with Compensation Policy ("NRC Policy") to ensure that Executive, Non-Executive Directors, Key Managerial Personnel, Senior Management Personnel and other employees are sufficiently compensated for their performance.

Directors

The Nomination and Remuneration Committee recommends the remuneration for Executive and Non-Executive Directors which is then approved by Board of Directors/ shareholders of the Company. The Independent Directors receives sitting fee for attending the meeting of the Board or any committee in which director(s) is a member.

Employees Remuneration

The remuneration of employees including of Key Managerial Personnel, Senior Management Personnel largely consists of basic salary, perquisites, allowances, and performance incentives. Perquisites and retirement benefits are paid according to the Company's policy, subject to the prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification, and experience/merits, and performance of each employee. The Company, while deciding the remuneration package, takes into consideration the current employment scenario and remuneration package of the industry.

Criteria for Board membership

The Directors to be appointed on the Board shall fulfill the fit and proper criteria as mentioned under the NRC Policy of the Company.

Independent Directors

Independent Director shall meet all criteria specified in Section 149 of the Act and rules made thereunder

12. RELATED PARTY TRANSACTIONS

The Company has framed policy on related party transactions in compliance with RBI directions.

During the FY 2024-25 all contracts/arrangements/transactions entered by your Company were on arms' length basis and in the ordinary course of business. During the FY 2024-25, as required under section 177 of the Act, all related party transactions were approved & ratified by the Audit Committee and the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act. A statement on "Related Party Disclosures" showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS 24) issued by Institute of Chartered Accountants of India, read with the Companies (Indian Accounting standards) Rules, 2015, are given in the Notes to the Financial Statements.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

13. RISK MANAGEMENT

Risk Management is at the centre stage in Home Credit to effectively manage and mitigate the risk, that the Company is or may be exposed to, by integrating and strengthening the role of risk management in its strategic decision making and creating value for its stakeholders. The Risk Acceptance Policy of the Company has been adopted and is regularly reviewed by the Board of Directors which provides for the identification, assessment, and control of risks. In terms of RBI instructions dated May 16, 2019, the Company has put in place a Board approved Policy to Safeguard the Independence of the Chief Risk Officer. At Home Credit, the Chief Risk Officer is the custodian of the Risk Management Framework. Mr. Sameer Katdare, the Chief Risk Officer of the Company, is responsible for the identification and measurement of risks using both quantitative and qualitative elements, assisting in establishing the Company's risk management framework encompassing risk strategy and risk appetite, considering the competitive and regulatory landscape, and reporting of risks and risk mitigating measures to the Board/IRMC.

14. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has aligned its system of internal financial control with the requirement of the Act. The Company continues to monitor the efficacy of Internal Controls through a comprehensive Internal Control Framework which had been designed to ensure transparency and accountability in an organization's process of designing and implementing a system of internal control. Through this framework, risks in the Company are identified, analysed and appropriate responses are managed.

Internal Control Systems

The Company has established an adequate internal control mechanism to safeguard all our assets and ensure operational efficiency and regulatory compliance. The frameworks are put in place to ensure adequate controls in business processes. Further, Risk and Control dashboards have been defined and are periodically updated for all important operational processes. At periodic intervals, the management team ensure that the defined controls are operative. Every year on annual basis, the report is presented to Audit Committee by Internal Auditors and Statutory Auditors.

The Company's internal controls systems are commensurate with its size and the nature of its operations. These have been designed as well as operating effectively to provide a reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures and ensuring compliance of corporate policies. The Company is strengthening the controls by leveraging technology, centralising processes and enhancing monitoring. The same has also been confirmed by the Statutory Auditor in their report on the financial statements of the Company for FY 24-25.

15. INTERNAL AUDIT

The Audit Committee has approved a Risk Based Internal Audit ("RBIA") framework, along with appropriate processes and plans for internal audit. The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the internal audit reports, function/process owners undertake corrective action in their respective areas and work towards closure of the audit observations. The significant audit observations are tracked and presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations on a regular basis. The Company has a dedicated team of internal auditors to conduct internal audit, which is commensurate with its size, nature and operations. Every year, this team defines the audit agenda for the year, which is implemented after approval from the Audit Committee. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions are initiated. Separate meetings between the Internal Auditor and the Audit Committee, without the presence of senior management, are held on quarterly basis to facilitate the independent discussion amongst them.

16. CORPORATE SOCIAL RESPONSINILITY (CSR) INITIATIVES

The Company has a duly constituted CSR Committee and a Board-approved CSR Policy, in line with the provisions of Section 135 of the Act. The CSR activities are deeply embedded in the Company's value system and are implemented through Srinivasan Services Trust (SST), a registered trust established in 1966, with the vision of building self-reliant rural communities. SST undertakes projects that align with the CSR activities specified under Schedule VII of the Act, focusing on key areas such as economic development, education, environment, health, and infrastructure. SST's approach aims to drive sustainable development in rural areas by encouraging communities to embrace long-term change and take ownership of their progress.

For the financial year 2024-25, based on the recommendation of the CSR Committee, the Company contributed INR 1,51,50,000/- (constituting more than 2% of its average net profits from the three preceding financial years) to Srinivasan Services Trust (SST) to support the execution of the CSR activities for the year. All projects undertaken by SST fall within the individual threshold limit of INR 1 Crore, and therefore, as per applicable regulations, do not require an impact assessment.

In compliance with Section 135 of the Act, and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR, containing details of the approved projects and programs, is provided as **Annexure C** to this report.

17. VIGIL MECHANISM

The Company has a vigil mechanism policy to deal with instances of fraud, unethical behaviour, and mismanagement, if any. The vigil mechanism policy ensures that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism. The vigil mechanism provides for adequate safeguards against victimization of persons and ensures that any employee, officer, and director who violates the requirements of this policy will be subject to disciplinary action.

18. SAFE ENVIRONMENT FOR WOMEN AT WORKPLACE

Your Company is committed to ensure safe and secure environment for women employees of the Company at all the levels and at all the offices of the Company. Accordingly, the Company has duly constituted Internal Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures immediate response to the complaints of harassment and fast track procedure disposal for such complaints. During the FY ended March 31, 2025, no complaint was received by the Committee.

19. GENERAL DISCLOSURES

Significant/Material orders passed by the Regulator or Court or Tribunals:

During the financial year 2024-25, the Company has received the approval for the proposal of acquisition of shareholding / control and change in management from the Competition Commission of India and the Reserve Bank of India. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited"), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company.

Further, there were no significant/material orders passed by any Regulator or Court or Tribunal which would impact the going concern status of the Company and its future operations.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof:

During the financial year 2024-25, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year and the date of the report

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A. Conservation of Energy and Technology Absorption: Your Company is primarily involved in providing services which do not result in significant consumption of power and energy. However, adequate measures have been taken to reduce energy consumption, wherever possible. Also, Your Company being a non-banking finance Company is not covered under the list of industries, which should furnish the reports under Conservation of Energy and Technology Absorption.

B. Foreign exchange earnings and outgo:

Sr. No.	Particulars	Year ended March 31, 2025 (INR In Crores)	Year ended March 31, 2024 (INR In Crores)
1.	Expenditure in foreign currency*	266.68	195.42
2.	Earning in foreign currency	Nil	0.14

*Including Capex.

21. EMPLOYEES' REMUNERATION

Details of Employees receiving remuneration in excess of the limits prescribed under Section 197 of the Act read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as ***Annexure-D.*** In terms of the first proviso to Section 136 (1) of the Act, the Annual Report excluding the aforesaid annexure, is being sent to the shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company as mentioned in the Notice of AGM, and any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

22. LOAN, GUARANTEES & INVESTMENT

The Company, being a non-banking finance Company registered with the Reserve Bank of India and engaged in the business of granting loans and finance in the ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Act, in respect of loans and guarantees. Accordingly, the disclosures of the loans as required under the aforesaid section have not been given in this report.

23. CREDIT RATINGS

As on March 31, 2025, the Non-Convertible Debentures and other borrowings raised by the Company retained the below ratings:

Facility	Rating as at March 31, 2024		Rating as at March 31, 2025	
	CARE	India Ratings	CARE	India Ratings
Non-Convertible Debentures	-	IND BBB+/ Positive	-	IND BBB+/Rating watch with Developing Implications
Other Borrowings				
Long term bank facilities	CARE BBB+; Stable	-	CARE AA-; Stable	-
Short term Debt/ Commercial Paper	-	IND A2+	-	IND A2+/ Rating watch with Developing Implications
Bank Loans	-	IND BBB+/ Positive	-	IND BBB+/Rating watch with Developing Implications

The Company has duly made the intimation regarding change in credit rating to RBI within the stipulated time.

24. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

Pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016, a report from the statutory auditors to the Board of Directors has been received by the Company. The Company continues to fulfil all the norms

and standards laid down by the Reserve Bank of India (RBI) as applicable to the Company.

25. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Act are not applicable in respect of the business activities carried out by the Company and hence such accounts and records were not required to be maintained by the Company.

26. COMPLIANCE WITH REGULATIONS/ DIRECTIONS OF RESERVE BANK OF INDIA APPLICABLE TO NON-BANKING FINANCIAL COMPANIES

The RBI vide its notification dated October 22, 2021, introduced an integrated regulatory framework for NBFCs under "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs". Under SBR, NBFCs are divided into four layers viz., top layer, upper layer, middle layer and base layer based on the size, activity, and perceived riskiness. The Company falls under the category of middle layer ("NBFC-ML").

The Company has complied with and shall continue to ensure compliance with applicable regulations/ directions and other instructions issued by Reserve Bank of India (RBI) from time to time and continues to fulfil all the norms and standards laid down by the RBI in Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 issued by Department of Non-Banking Supervision, Reserve Bank of India on October 19, 2023 as amended from time to time.

The Company remains committed to fair and transparent business practices in line with RBI's Fair Practice Code and Know Your Customer (KYC) norms. These regulations aim to set minimum standards for customer dealings, enhance transparency, encourage competition-driven operational excellence, and foster trust in the NBFC sector. The Company has established all mandated committees as per RBI guidelines and has implemented a comprehensive Corporate Governance Policy. Additionally, a monitoring mechanism is in place to ensure compliance with the Fair Practices Code, KYC norms, and other policies approved by the Board of Directors.

The Company has adhered to the prudential norms and standards prescribed by the Reserve Bank of India (RBI) concerning income recognition, provisioning for non-performing assets, and capital adequacy. As of the reporting period, the capital adequacy ratio stands at 18.59%, exceeding the RBI's minimum requirement of 15%, demonstrating the Company's strong financial position.

27. ACKNOWLEDGEMENT:

Your Company maintained cordial relationships with Reserve Bank of India, Registrar of Companies and other regulatory authorities, Financial Institutions, Banks, Vendors, Suppliers and Customers during the financial year. Your directors wish to place on record the support extended by them, extend heartiest thanks and look forward to receiving their continued support and encouragement. Last but not the least by any means, the Board of Directors also acknowledge its sincere appreciation for the commitment and hard work put in by the Management and employees of the Company during the year under review.

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

Mr. K Gopala Desikan
Director
DIN: 00067107

Dr. Deepali Pant Joshi
Director
DIN: 07139051

Annexure -B

CORPORATE GOVERNANCE REPORT

The Company's Philosophy on Corporate Governance:

The Company endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, investors, regulators and other stakeholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting best practices. The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial service Company in India. Home Credit India has a strong legacy of fair, transparent and ethical governance practices.

The key elements of Home Credit's Corporate Governance include effective and professional Board of Directors and established practices and procedures to comply with applicable laws and adopting best practices. The Board comprises of Directors having diversified experience in the fields of finance, law, risk, information technology and operations. The Board comprises three independent directors and one Non-Executive Director.

To focus on key areas and to meet the regulatory requirements, the Board has also constituted various committees like Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Integrated Risk Management Committee, Asset Liability Committee, IT Strategy Committee, Customer Service Committee, Committee of the Executive for Monitoring and Follow up of Cases of Frauds and defined their roles and responsibilities. The Board reviews the functioning of these committees from time to time. The Company has also framed and implemented requisite policies, inspired from applicable laws, to guide the business operations and practices of the Company. The Company has appointed Chief Risk Officer, Internal Auditor and Chief Compliance Officer to advise on function specific matters in line with the regulatory expectations.

I. BOARD OF DIRECTORS

Your Company recognises and embraces the importance of a diverse Board in its success. The confluence of Directors on the Board with different knowledge and skills, perspective, regional and industry experience, cultural and geographical background ensures that your Company retains its competitive advantage. As on March 31, 2025, the Board of the Company comprises of 4 (Four) Directors, out of which one is a Non-Executive Director and three are Independent Directors having diversified experience in the fields of finance, law, risk, information technology and operations. The composition of the Board is in conformity with the Act and other applicable laws.

Further, during the year ended March 31, 2025, 10 (Ten) meetings of the Board of Directors were held (i.e., on 23.04.2024, 25.04.2024, 29.05.2024, 28.06.2024, 31.07.2024, 13.08.2024, 20.11.2024, 27.01.2025, 03.02.2025 and 26.03.2025). The intervening gap between the two continuous meetings was within the period prescribed under the Act. The details of the composition of Board of Directors as on March 31, 2025, and the number of Board meetings attended by respective Directors are tabulated below:

S. No	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships in other Companies	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation[#]	Sitting Fee (in INR Lakhs)	Commis-sion	
1.	Ondrej Kubik*	28/08/2018	Whole Time Director/ Executive	08194580	10	8	Nil		N.A		Nil
2.	Esha Pruthi*	24/11/2023	Whole Time Director/ Executive	10392980	10	8	Nil		N.A		Nil
3	Jean Pascal Pierre A. Duvieusart*	25/05/2023	Non-Executive Director	10167605	10	6	2		N.A		Nil
4.	Rakesh Kapoor*	16/01/2020	Independent Director	00015358	10	9	Nil		9.55		Nil
5.	Jean Lafontaine*	22/05/2020	Non-Executive Director	08740353	10	6	Nil		N.A		Nil
6.	Sarpreet Singh Benipal*	20/04/2021	Non-Executive Director	08430748	10	8	1		N.A		Nil
7.	Anirban Majumder*	22/05/2020	Whole Time Director/ Executive	08741217	10	9	Nil		N.A		Nil
8.	Jagdish Prasad	11/02/2022	Independent Director	01653669	10	9	Nil		10.60		Nil
9.	Pavel Rozehnal*	30/08/2013	Non-Executive Director	06683247	10	4	12		N.A		Nil
10.	K Gopala Desikan	03/02/2025	Non- Executive Director	00067107	10	0	21		N.A		Nil
11.	Balasubramanyam Sriram	03/02/2025	Independent Director	02993708	10	2	8		0.8		Nil
12.	Dr. Deepali Pant Joshi	03/02/2025	Independent Director	07139051	10	2	9		0.8		Nil
13.	Kunnawalkam Elayavalli Ranganathan	03/02/2025	Independent Director	00058990	10	2	6		0.8		Nil

** Resigned with effect from February 03, 2025.*

[#]Salary and other compensation to Whole Time Directors INR 45.97 crores.

Changes in the Board of Directors during the FY 2024-25:

During the FY 2024-25, following changes took place in the composition of Board of Directors.

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr. Ondrej Kubik	Whole time Director	Re-appointment subject to approval of shareholders.	August 27, 2024
2.	Ms. Esha Pruthi	Whole time Director	Appointment regularization by Shareholders	September 09, 2024
3.	Mr. Ondrej Kubik	Whole time Director	Re-appointment regularization by Shareholders	September 09, 2024
4.	Mr. K Gopala Desikan *	Additional Non – Executive Director	Appointment subject to approval of shareholders	February 03, 2025
5.	Mr. Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
6.	Dr. Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
7.	Mr. Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
8.	Mr. K Gopala Desikan*	Non – Executive Director	Appointment regularization by shareholders.	February 03, 2025
9.	Mr. Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
10.	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
11.	Mr. Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
12.	Mr. Ondrej Kubik*	Whole – time Director	Resignation	February 03, 2025
13.	Mr. Anirban Majumder*	Whole – time Director	Resignation	February 03, 2025
14.	Ms. Esha Pruthi*	Whole – time Director	Resignation	February 03, 2025
15.	Mr. Rakesh Kapoor*	Independent Director	Resignation	February 03, 2025
16.	Mr. Jagdish Prasad*	Independent Director	Resignation	February 03, 2025
17.	Mr. Jean Lafontaine*	Non – Executive Director	Resignation	February 03, 2025
18.	Mr. Jean Pascal Pierre A. Duvieusart*	Non – Executive Director	Resignation	February 03, 2025
19.	Mr. Pavel Rozehnal*	Non – Executive Director	Resignation	February 03, 2025
20.	Mr. Sarpreet Singh Benipal*	Non – Executive Director	Resignation	February 03, 2025

** Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024*

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024, Mr. Rakesh Kapoor and Mr. Jagdish Prasad, Independent Directors of the Company has resigned from the directorship w.e.f February 03, 2025.

Details of any relationship amongst the directors inter-se:

There exist no inter-se relationship among the directors and the same is confirmed basis the annual declaration of interest by the directors.

II. COMMITTEES OF THE BOARD

The Board has constituted Committees with specific terms of reference to focus on specific areas. These include the Audit Committee, the Nomination and Remuneration Committee, the Integrated Risk Management Committee, the Information Technology Strategy Committee, Corporate Social Responsibility Committee, Asset Liability Committee, Customer Service Committee and Committee of the Executive for Monitoring and Follow up of Cases of Frauds. The Board reviews the functioning of these committees from time to time. The Minutes and the gist of minutes of meetings of all Committees of the Board are placed before the Board of Directors for noting.

1. AUDIT COMMITTEE

Pursuant to the requirement of the NBFC Regulations and the Act, the Company has constituted an Audit Committee. The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of Audit Committee inter-alia provides for the following key responsibilities of Committee:

1. To review from time to time the performance of the Company and annual financial statements and Auditors' report thereon before submission to the Board.
2. To evaluate the internal financial control and the risk management systems.
3. To initiate examination of the accountability and place it before the Board, in fraud cases involving very senior executives of the Company (MD & CEO / Executive Director / Executives of equivalent rank).
4. To provide any clarification on matters relating to audit in the Annual General Meeting.
5. To ensure that an Information System Audit of the internal system and processes is being conducted at least once in a year to assess operational risks faced by the Company.
6. To provide omnibus approval or specific approval, as the case may be, for any transaction or any subsequent modification of transactions of the Company with related parties where the transaction is proposed to be carried out in the ordinary course of business and on an arm's length basis including any omnibus approval for related party transactions.

7. To recommend related party transactions to the Board for approval when the transaction proposed to be carried out in not the ordinary course of business and on an arm's length basis.
8. To scrutinize the inter-corporate loans and investments of the Company.
9. To review quarterly audit notes and compliances with respect to the KYC Policy of the Company.
10. To approve adjustments if any, to the model output (i.e., a management overlay) of the Expected Credit Loss (ECL) Model
11. To take decision on the valuation of the undertaking or assets of the Company in the event of sale or purchase of such undertaking or assets.
12. To appoint registered valuer for valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth or liabilities of the Company as required under any applicable law.
13. To take note of the ageing analysis of the entries pending reconciliation with outsourced vendors of cash management.
14. To review the details of trading in securities by the Designated Persons, if any, including violation of any clauses of the Code of Conduct as reported to the Committee by the Compliance Officer at least once in a financial year.
15. To review the reports of internal audit conducted on various activities outsourced by the Company.
16. To oversee the vigil mechanism established by the Company by reviewing the nature of complaints/whistle blowers received from time to time and action taken in this regard.
17. To review the reports of Internal Audit, status on closure of audit reports as well as status of closure of internal audit findings.
18. To recommend to the Board of Directors for appointment, including the fillings of a casual vacancy, remuneration and terms of appointment of auditors of the Company.
19. To ensure that the risk assessment of business and other functions of the Company is conducted and the consolidated position of major risks faced by the Company based on inputs from all forms of audit is reviewed on an annual basis.
20. To monitor and assess the auditor's independence and review the performance of auditor and effectiveness of audit process on annual basis and assist Statutory Auditor in case of any concern with the management.
21. To review the report on any serious lapses/negligence in audit responsibilities or conduct issues on part of the Auditors or any other matter considered as relevant, before submission to RBI.
22. To approve the Risk Based Internal Audit (RBIA) plan and review the performance of Risk Based Internal Audit (RBIA).
23. To review the quality assurance and improvement program that covers all the aspect of internal audit function and may include assessment of the internal audit function at least once in a year
24. Such other matters as may be required to be discussed and/ or approved by Audit Committee pursuant to the provisions of Companies Act, 2013 along with rules and regulations made thereunder, guidelines and notifications issued by Reserve Bank of India or other applicable laws.
25. To have full access to information contained in the records of the Company.
26. To investigate into any matter in relation to the items specified in this TOR or referred to it by the Board and have power to obtain professional advice from external sources on specified items in this and above section.
27. The Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
28. To provide reasonable recommendations to the Board of Directors on the matters as and when asked for, the Board of Directors shall have the right either to accept the recommendation with or without modifications, or to reject the recommendations, of the Committee. If the Board does not accept the recommendations of the Committee, it shall disclose the same in the Boards' Report along with the reasons, therefore.
29. The Audit Committee of Board shall be responsible for overseeing the internal audit function in the organization. The Audit Committee shall approve the RBIA plan to determine the priorities of the internal audit function based on the level and direction of risk, as consistent with the Company's goals. Every activity / location, including the risk management and compliance functions, shall be subjected to risk assessment by the RBIA. It shall review all the pending high and medium risk paras and persisting irregularities regarding key areas in which risk mitigation has not been undertaken despite risk identification.
30. To ensure that the remuneration for Internal Audit Function staff should be structured in a way to avoid creating conflict of interest and compromising audit's independence and objectivity.
31. To promote the use of new audit tools/ new technologies for reducing the extent of manual monitoring / transaction testing / compliance monitoring, etc. and ensure the adequate staffing of the Internal Audit Function
32. The Audit Committee shall meet Internal Auditor at least once in a quarter, without the presence of the senior management, including the Chief Executive Officer or whole-time director. In case Chief Executive Officer or whole-time director is the reporting authority to Internal Auditor, then the 'Reviewing authority' shall be the Audit Committee/Board and the 'Accepting authority' shall be the Board in matters of performance appraisal of the Internal Auditor.

Composition of the Audit Committee and details of meeting held:

During the FY 2024-25, the Committee met 6 (Six) times on April 23, 2024, May 29, 2024, August 13, 2024, November 20, 2024, January 27, 2025, and March 26, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ondrej Kubik*	October 16, 2018	Whole-time Director	6	5	Nil
2.	Mr. Pavel Rozehnal #	November 12, 2021	Non- Executive Director	6	0	Nil
3.	Mr. Jean Lafontaine*	November 12, 2021	Non- Executive Director	6	5	Nil
4.	Mr. Rakesh Kapoor*	March 06, 2020	Independent Director	6	5	Nil
5.	Mr. Jagdish Prasad*	February 11, 2022	Independent Director	6	5	Nil
6.	Mr. Jean Pascal Pierre A. Duvieusart*	September 26, 2024	Non- Executive Director	6	2	Nil
7.	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	6	1	Nil
8.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	6	0	Nil
9.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	6	1	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

 # Ceased to be the member of the Committee with effect from September 26, 2024.

2. NOMINATION & REMUNERATION COMMITTEE

Pursuant to the requirement under NBFC Regulations, the Company has constituted a Nomination & Remuneration Committee (NRC). The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of Nomination and Remuneration Committee inter-alia provides for the following key responsibilities of Committee:

a. The Committee shall lay down the criteria (i.e., Fit & Proper Criteria) for determining the requisite qualification, and past experience required from an individual for appointment as Director, Key Managerial Personnel, and Senior Management Officers of the Company.

b. The Committee shall identify an individual, on the basis of Fit & Proper Criteria, for appointment as the Director, Key Managerial Personnel, and Senior Management Officers of the Company, as the case may be, and recommend to the Board, or the other appointing authority, as the case may be, their appointment.

c. To review from time to time, the eligibility of the Directors to continue to hold directorship in the Company and recommend to the Board for its consideration on the structure for the Board.

d. To play statutory and consultative role in building appropriate remuneration structure in the Company.

e. To put in place a framework for ensuring that remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of the quality required to run the Company successfully.

f. To review and recommend policy relating to the compensation payable to the Directors, KMPs, SMPs and other employees of the Company to the Board.

g. While formulating the policy, the Committee ensure that
   - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
   - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

h. To review and recommend to the Board, the compensation, including modification therein, that can be offered to the Directors, KMPs and SMPs of the Company.

i. To formulate criteria for evaluation of Directors, Board and its committees.

j. To have full access to information contained in the records of the Company.

k. To specify the criteria and procedure for effective evaluation of performance of Board, its Committees and Directors to be carried out by the Board and review its implementation and compliance.

l. To ensure 'fit and proper' status of proposed/ existing directors.

m. To ensure that there is no conflict of interest in the appointment of directors on Board of the Company, KMP and SMP.

n. The NRC, as and when required, shall work in close coordination with Integrated Risk Management Committee (IRMC) of the Company to achieve effective alignment between compensation and risks.

o. To ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process from time to time.

p. To formulate a framework for succession planning with respect to Directors, KMPs and SMPs.

q. To delegate any of its powers to one or more of its members/ Directors or the Company's HR Head or any other KMP/ SMP of the Company.

r. The NRC shall be authorized to issue the guidelines, procedures, formats, reporting mechanism and manual in supplement for better implementation to this Policy, as per its discretion.

s. The NRC shall have the constitution, powers, functions, and duties as laid down in section 178 of the Act.

Composition of the Nomination and Remuneration Committee and details of meeting held:

During the FY 2024-25, the Committee met on August 13, 2024, and January 28, 2025; The composition of the Committee and attendances of the Members at the meeting of the Committee held during the year is as follows:

S. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jean Lafontaine*	June 25, 2020	Non- Executive Director	2	2	Nil
2.	Mr. Pavel Rozehnal#	June 25, 2020	Non- Executive Director	2	1	Nil
3.	Mr. Rakesh Kapoor*	February 16, 2020	Independent Director	2	2	Nil
4.	Mr. Jagdish Prasad*	September 20, 2022	Independent Director	2	2	Nil
5.	Mr. Jean Pascal Pierre A. Duvieusart*	September 26, 2024	Non- Executive Director	2	0	Nil
6.	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	2	0	Nil
7.	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	2	0	Nil
8.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	2	0	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

 # Ceased to be the member of the Committee with effect from September 26, 2024.

3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the requirements under the Act and the Companies (CSR Policy) Rules, 2014, the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee. Based on the recommendation of the CSR Committee, the Board has also approved the Corporate Social Responsibility Policy ('CSR Policy') of the Company.

The Board reviews the terms of reference and working of the Committee from time to time.

The CSR Policy inter-alia provides for the following key responsibilities of Committee:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Composition of the CSR Committee and details of meeting held:

During the FY 2024-25, the Committee met 2 (two) time on July 24, 2024 and October 25, 2024. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member*	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Sarpreet Benipal*	June 30, 2021	Non- Executive Director	2	2	Nil
2.	Ms. Esha Pruthi*	October 01,2023	Whole-Time Director	2	2	Nil
3.	Mr. Anirban Majumder*	June 30, 2021	Whole-Time Director	2	2	Nil
4.	Mr. Ashish Tiwari*	June 30, 2021	Chief Marketing Officer	2	2	Nil
5.	Ms. Harshita Uppal*	June 30, 2021	Chief People Officer	2	2	Nil
6.	Mr. Sameer Katdare*	June 30, 2021	Chief Risk Officer	2	1	Nil
7.	Mr. Amit Gupta#	November 03,2023	Head- Funding	2	0	Nil
8.	Mr. Varun Ahuja*	July 31, 2024	Member of funding team	2	1	Nil
9.	Mr. Nishu Gupta*	July 31, 2024	Member of funding team	2	1	Nil
10.	Mr. Sumit Dalela*	November 20, 2024	Head-Treasury	2	0	Nil
11.	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	2	0	Nil
12.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	2	0	Nil
13.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	2	0	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

 # Ceased to be the member of the Committee with effect from July 15, 2024.

4. Asset Liability Committee (ALCO)

The Terms of Reference of Company of Asset Liability Committee (ALCO) inter-alia provides for the following key responsibilities of Committee:

- Review ALM position for each quarter and ensure adherence to risk tolerance limits set by the Board.
- Monitor and discuss the status and results of decisions implemented in previous meetings.
- Review the short-term liquidity through current and prospective cashflow position.
- Assess funding requirements and review funding pipeline, including contingency funding plan.
- Discuss maturity profile and mix of incremental assets and liabilities.
- To take decision on sale of assets as a source of funding, if required.
- Review the current and prospective capital levels to determine sufficiency in relation to financial goals, risk and compliance.
- Review deployment of excess liquidity as per the latest Liquidity Management policy.
- Ensure compliance with all regulatory requirements on liquidity, funding and capital.
- Review repayment, refinancing of maturing debt liabilities
- Oversee risks relating to liquidity and interest rate risk.
- Ensure implementation of the liquidity risk management strategy, in line with "Liquidity Risk Management Framework" policy of HCIN
- Ensure adherence to risk tolerance limits set by the Board. Review utilization and breach of all internally established Risk Appetite Limits (RAL) and Target Limits and mitigation plan in case of any limit breach
- Distribute the minutes of each meeting to the Board of Directors/ relevant stakeholders.
- To give necessary authorizations to continue to operate with higher limits than prescribed in this Policy for various purposes based on exigencies and actual requirements, if any.

Composition of the Asset Liability Committee (ALCO) and details of meeting held:

During the FY 2024-25, the Committee met 5 (Five) times on May 16, 2024, July 26, 2024, December 03, 2024, January 28, 2025 and March 24, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ondrej Kubik*	August 28, 2018	Whole-Time Director	5	4	Nil
2.	Mr. Sameer Katdare*	September 15, 2020	Chief Risk Officer	5	4	Nil
3.	Mr. Anirban Majumder*	December 01, 2017	Whole-Time Director	5	4	Nil
4.	Vikas Aggarwal*	November 03, 2023	Head- Finance Controller and Tax	5	3	Nil
5.	Mr. Amit Gupta#	February 11, 2022	Head- Funding	5	1	Nil
6.	Mr. Varun Ahuja##	July 31, 2024	Member of funding team	5	0	Nil
7.	Mr. Nishu Gupta##	July 31, 2024	Member of funding team	5	0	Nil
8.	Mr. Sumit Dalela*	November 20, 2024	Head-Treasury	5	2	Nil
9.	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	5	1	Nil
10.	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	5	1	Nil
11.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	5	1	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

 # Ceased to be the member of the Committee with effect from July 15, 2024,

Ceased to be the member of the Committee with effect from November 20, 2024

5. Integrated Risk Management Committee (IRMC)

The Terms of Reference of Company of Integrated Risk Management Committee (IRMC) inter-alia provides for the following key responsibilities of Committee:

- To review and assess the type and nature of the different risks, i.e. credit risk, liquidity risk, market risk, operational risk, financial risk, legal risk and/or any other risk as may be decided by the Board of Directors of the Company.
- To review and assess the quality, integrity and effectiveness of the risk management systems;
- To review and govern the functions of the sub-committee on operational risk and credit risk of the Company;
- To ensure that the Company has implemented an effective ongoing process to identify various risks, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks, and to decide the Company's appetite or tolerance for risk;
- To review processes and procedures to ensure the effectiveness of internal systems of control so that decision-making capability and accuracy of reporting and financial results are always maintained at an optimal level;
- To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts;
- To review the risk bearing capacity of the Company in light of its reserves, insurance coverage or other such financial structures.

Composition of the Integrated Risk Management Committee (IRMC) and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on June 25, 2024, September 24, 2024, November 13, 2024, and January 29, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ondrej Kubik*	August 01, 2018	Whole-Time Director	4	3	Nil
2.	Mr. Sameer Katdare*	September 15, 2020	Chief Risk Officer	4	3	Nil
3.	Mr. Anirban Majumder*	May 30, 2018	Whole-Time Director	4	4	Nil
4.	Ms. Esha Pruthi*	October 01, 2023	Whole-Time Director	4	4	Nil
5.	Mr. Nitin Kumar Agarwal*	July 26, 2018	Head – Operational Risk Management	4	4	Nil
6.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	0	Nil
7.	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	4	0	Nil
8.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	4	0	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

6. IT Strategy Committee

The Terms of Reference of IT Strategy Committee provides that the Committee shall be responsible for the overall evaluation, providing direction, and monitoring of the IT Governance Framework which inter-alia includes the following key responsibilities of Committee:

- Ensure that an effective IT strategic planning process in place.
- Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the HCIN towards accomplishment of its business objectives.
- Ensures that IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives, and unambiguous responsibilities for each level in the organisation.
- Ensure that the HCIN has put in place processes for assessing and managing IT and cybersecurity risks.
- Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the HCIN's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
- Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the HCIN
- Review of assessment of IT capacity requirements and measures taken to address the issues.
- Approval of documented standards and procedure of access control
- The constitution of the ISC, with Chief Information Security Officer (CISO) and other representatives from business and IT functions, etc., shall be decided by the ITSC.
- Oversee the Information Security Committee
- Consult with Risk Management Committee of Board on risk management policy on issues with IT related risks, including the Cyber Security related risks.
- Review of cyber security risks/ arrangements/ preparedness of the HCIN on Quarterly basis.
- Monitor strategic IT plans.
- Proper balance of IT investments for sustaining HCIN's growth and becoming aware about exposure towards IT risks and controls.
- Provide IT insights to Board and act as subject matter expert.
- Work in partnership with other Board committees and Senior Management for providing input.
- Approval & updating of documented standards and procedure for access to information asset and Privileged Access
- Work in alignment with HCIN Operational Risk Management (ORM) Committee to ensure the following with regards to IT Outsourcing:
- Institute an appropriate governance mechanism.
- Identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner.
- Developing responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements.
- Evaluating risks of all prospective outsourcing based on developed framework.
- Periodically reviewing the effectiveness of policies and procedures.
- Communicating significant risks to the Board.
- Ensuring that contingency plans have been developed and tested adequately.
- Ensure that business continuity preparedness is not adversely compromised on account of outsourcing.
- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place. The Committee shall review all policies of the Company relating to information security and information technologies and recommend to the Board, the policies that require approval from Board.
- IT Strategy committee have the responsibility to institute an effective governance mechanism and risk management process for all IT outsourced operations.

Composition of the IT Strategy Committee and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on April 10, 2024, August 08, 2024, November 07, 2024, and March 12, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jagdish Prasad*	February 11, 2022	Independent Director	4	3	Nil
2.	Ms. Esha Pruthi*	October 01,2023	Chief Legal Officer	4	1	Nil
3.	Mr. Anirban Majumder*	June 28, 2018	Whole-Time Director & Chief Financial Officer	4	0	Nil
4.	Mr. Ladislav Simicek*	January 16, 2020	Chief Information Officer	4	3	Nil
5.	Mr. Jan Brazda*	September 15, 2023	Head- IT Operations	4	3	Nil
6.	Mr. Sangram Sanjay Salunke*	April 01, 2024	Chief Information Security Officer	4	3	Nil
7.	Mr. Bhrigu Sehgal*	October 21,2022	Chief Sales Officer	4	0	Nil
8	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	4	1	Nil
9.	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	4	1	Nil
10.	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	4	1	Nil

** Ceased to be the member of the Committee with effect from February 03, 2025.*

7. Customer Service Committee

The Company has constituted Customer Service Committee to support the Board in its overall responsibility of customer service and protection. The Terms of Reference of Customer Service Committee inter-alia includes the following key responsibilities of Committee:

- To review the level of customer service in the Company including customer complaints and the nature of their resolution.
- To provide guidance in improving the level of customer service.
- To ensure that the Company provides and continues to provide best-in-class services across all its category of customers to help the Company in protecting and growing its brand equity.
- To evolve innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers.
- To ensure implementation of directives received from the regulators, including RBI, with respect to rendering of services to Company customers
- To review and govern the functions of the sub-committee, if any, on grievance redressal of the Company.
- To review the Complaints handling procedures of the Company in light of trend in customer complaints, Industry Practice and regulatory requirement.
- To approve the appointment of Internal Ombudsman / Deputy Internal Ombudsman and decide the structure of emoluments, facilities and benefits accorded to the IO/DIO.
- To review the periodic reports (including the analysis of complaints) of Internal Ombudsman on his / her activities, preferably at quarterly intervals, but not less than half yearly intervals.
- To review the cases in which the decision of the Internal Ombudsman has been rejected by the Company
- To review the Root Cause Analysis of customer grievance at least on an annual basis, and suggest corrective measures, to the extent necessary, so as to minimize the number of complaints and allied risks.
- To conduct or authorize, at the Company's expense, investigations or studies of matters within the CSC's scope of responsibilities and to obtain advice and assistance from internal and external advisors.
- To perform such other functions as may be assigned from time to time under the Company policies, guidelines and procedures of the Company.
- To apprise the Board of Directors of the Company, at least on annual basis, a summary of critical complaints reviews along with corrective measures

Composition of the Customer Service Committee and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on June 28, 2024, August 22, 2024, November 20, 2024, and March 20, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ashish Tiwari	April 23, 2024	Chief Marketing Officer	4	4	Nil
2.	Mr. Ondrej Kubik*	April 23, 2024	Chief Executive Officer	4	1	Nil
3.	Mr. Anirban Majumder	April 23, 2024	Chief Financial Officer	4	3	Nil
4.	Ms. Esha Pruthi	April 23, 2024	Chief Legal Officer	4	4	Nil
5.	Mr. Sameer Katdare	April 23, 2024	Chief Risk Officer	4	2	Nil
6.	Ms. Harshita Uppal	April 23, 2024	Chief People Officer	4	4	Nil

** Ceased to be the member of the Committee with effect from February 21, 2025.*

8. Committee of the Executive for Monitoring and Follow up of cases of Frauds

The Company has constituted the Committee of the Executive for Monitoring and Follow-up of cases of Fraud to assist the Board in review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of fraud w.e.f November 20, 2025. Following are the key responsibilities of Committee:

- To oversee the effectiveness of the fraud risk management;
- To review and monitor cases of frauds, including root cause analysis, and
- To suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds;
- To ensure periodic review of incidents of fraud and Monitoring and Follow-up of cases of frauds on regular intervals;
- To review mechanism to ensure that Whistle Blower complaints on possible fraud cases / suspicious activities in account(s) are examined and concluded appropriately under their Whistle Blower Policy;
- To ensure implementation of directives received from the regulators, including RBI, with respect to fraud risk management;
- To ensure prevention, early detection and timely reporting of incidents of fraud to Law Enforcement Agencies (LEAs), Reserve Bank of India (RBI)
- To review Framework for Early Warning Signals for Detection of frauds on regular intervals;
- To ensure reporting and modalities of the incidents of fraud to appropriate LEAs, viz. State Police authorities, Reserve Bank of India (RBI) etc., subject to applicable laws.
- To establish suitable nodal point(s) / designate officer(s) for reporting incidents of fraud to LEAs and for proper coordination to meet the requirements of the LEAs.
- To ensure Closure of Fraud Cases reported to RBI;
- To ensure completion of the investigation from fraud angle before transferring the loan account / credit facility to other lenders / ARCs.
- To conduct or authorize, at the Company's expense, investigations or studies of matters within the SCBMF's scope of responsibilities and to obtain advice and assistance from internal and external advisors.
- To perform such other functions as may be assigned from time to time under the Company policies, guidelines and procedures of the Company.

During the FY 2024-25, the Committee met 1 (One) time on January 21, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Sameer Katdare	November 20, 2024	Chief Risk Officer	1	1	Nil
2.	Mr. Anirban Majumder	November 20, 2024	Chief Financial Officer	1	1	Nil
3.	Mr. Vikas Aggarwal	November 20, 2024	Head- Finance Controller and Tax	1	1	Nil
4.	Ms. Niti Bansal	November 20, 2024	Senior Vice President- Anti Fraud	1	1	Nil
5.	Mr. Sangram Sanjay Salunke	November 20, 2024	Chief Information Security Officer	1	1	Nil
6.	Mr. Rajan Kumar Singh	November 20, 2024	Senior Manager- Vigilance	1	1	Nil

9. Independent Directors Meeting

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on December 24, 2024, inter alia, for the following:

1. To review the performance of Non-Independent Directors and the Board as a whole.
2. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Both the Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Mr. Rakesh Kapoor as the Chairperson for the meeting, deliberated on the above and expressed their satisfaction on all matters.

III. General Body Meetings

During the FY 2024-25, three shareholder's meeting were held on September 09, 2024, February 03, 2025, and March 27, 2025. The details of such meetings and the special resolutions passed in such meetings are as follows:

S. No.	Type of Meeting (Annual/ Extraordinary)	Date and Place	Special resolutions passed
1.	Annual General Meeting	September 09, 2024 Registered Office (Delhi, India)	• To approve issuance of non – convertible debentures on private placement basis.
2.	Extraordinary General Meeting	February 03, 2025 Audio Visual Mode	• To consider and approve creation of security interest under section 180(1)(a) of the Companies Act, 2013. • To consider and approve the borrowing limit of the Company as per Section 180(1)(c) of the Companies Act, 2013.
3.	Extraordinary General Meeting	March 27, 2025 Registered Office (Delhi, India)	• To consider and approve adoption of restated Articles of Association. • To issue Equity Shares on Private Placement / Preferential Basis

IV. Details of non-compliance with requirements of Companies Act, 2013

The Company has not defaulted in compliance with the requirements of Act, including with respect to compliance with accounting and secretarial standards.

V. Details of penalties and strictures

During FY 2024-25, no penalty or stricture has been imposed on the Company by the RBI, ROC or any other statutory authority.

Annexure-C

Particulars of Corporate Social Responsibility (CSR) activities carried out by the Company during F.Y 2024-25 in terms of Section 135 of the Companies Act, 2013.

1. Brief outline on CSR Policy of the Company.

The Company has framed a CSR Policy to cover the matters related to Corporate Social Responsibility under the applicable provisions of Act. CSR activities are deeply embedded in the Company's value system and are implemented through Srinivasan Services Trust (SST), a registered trust established in 1966, with the vision of building self-reliant rural communities. SST undertakes projects that align with the CSR activities specified under Schedule VII of the Act, focusing on key areas such as economic development, education, environment, health, and infrastructure. SST's approach aims to drive sustainable development in rural areas by encouraging communities to embrace long-term change and take ownership of their progress.

2. Composition of CSR Committee:

S. No.	Name of Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sarpreet Benipal*	Non- Executive Director	2	2
2.	Ms. Esha Pruthi*	Whole-Time Director	2	2
3.	Mr. Anirban Majumder*	Whole-Time Director	2	2
4.	Mr. Ashish Tiwari*	Chief Marketing Officer	2	2
5.	Ms. Harshita Uppal*	Chief People Officer	2	2
6.	Mr. Sameer Katdare*	Chief Risk Officer	2	1
7.	Mr. Amit Gupta**	Head- Funding	2	0
8.	Mr. Varun Ahuja***	Member of funding team	2	1
9.	Mr. Nishu Gupta***	Member of funding team	2	1
10.	Mr. Sumit Dalela****	Head-Treasury	2	0
11.	Dr. Deepali Pant Joshi#	Independent Director	2	0
12.	Mr. Kunnawalkam Elayavalli Ranganathan#	Independent Director	2	0
13.	Mr. K Gopala Desikan#	Non- Executive Director	2	0

** Ceased to be the member of the Committee with effect from February 03, 2025.*

***Ceased to be the member of the Committee with effect from July 15, 2024 and Board took note of such change in representation in their meeting held on July 31, 2024.*

**** Appointed as the members of the Committee w.e.f July 31, 2024 and cessed to be the member of the Committee w.e.f November 20, 2024.*

***** Appointed as the member of the Committee w.e.f November 20, 2024.*

#Appointed as members of the Committee w.e.f February 03, 2025.

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.	https://www.homecredit.co.in/en/corporate-governance
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a) Average net profit of the company as per sub-section (5) of section 135.	INR 75,65,18,690
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135 of the Companies Act, 2013	INR 15,130,374
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Not Applicable
	(d) Amount required to be set-off for the financial year, if any.	Not Applicable
	(e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)].	INR 15,130,374
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	INR 15,150,000
	(b) Amount spent in Administrative Overheads	Not Applicable
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)].	INR 15,150,000
	(e) 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).		
INR 15,150,000	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
	N.A.				

(f) Excess amount of set off, if any

Sl. No.	Particulars	Amount (in Rs.)
i.	Two percent of average net profit of the company as per sub-section (5) of Section 135 of Companies Act, 2013	15,130,374
ii.	Total amount spent for the Financial Year	15,150,000
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	19,626
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)]	19,626

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of Section-135 (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.)
					Amount (in Rs).	Date of transfer.	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Not Applicable**

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

Mr. K Gopala Desikan
Chairman of the CSR Committee
DIN: 00067107

Place: Gurgaon
Date: April 26, 2025

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Home Credit India Finance Private Limited
S-7, Second Floor, Manish Chambers 4,
Plot No. 7, LSC, Sector -12,
District Court Complex,
Dwarka, Delhi -110075

We, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Home Credit India Finance Private Limited (CIN: U65910DL1997PTC422426) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the rules made thereunder (as amended from time to time)

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (as amended from time to time)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (as amended from time to time)

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (as amended from time to time)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during the audit period**

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time) - **Not applicable to the Company during the audit period**

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during the audit period**

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) -**Not applicable to the Company during the audit period**

e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time) -**Not applicable to the Company during the audit period**

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period**

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended from time to time)

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period**

j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period**

vi. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws such as rules, regulations and guidelines issued by the Reserve Bank of India as are applicable to Non – Deposit taking NBFC.

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

i. Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India

ii. Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India

From the verification of records and as per the information and explanation furnished to us, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through unanimous consent of the members and same is recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that during the audit period under review:

1. The Company has appointed S.R. Dinodia & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a period of three years in the Annual General Meeting held on September 09, 2024.

2. During the period under review, the Company received the approval for the proposal of acquisition of shareholding / control and change in management from the Competition Commission of India and the Reserve Bank of India in compliance with Para 42 of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited"), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company, distributed as follows:

Name of the Transferor	Number of equity shares	Name of the Transferee
Home Credit India B.V.	88,09,45,391	TVS Holdings Limited
	9,24,15,253	STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited")
	11,77,28,522	PI Opportunities Fund II
Home Credit International a.s.	10	TVS Holdings Limited
Total	1,091,089,176	

As a result of the change in shareholding, the Company becomes subsidiary of TVS Holdings Limited following the acquisition of 80.74% stake by the TVS Holdings Limited. Consequently, the Company's status was changed from "Private" to "Deemed Public".

3. During the period under review, following changes took place in respect to the Composition of Board of Directors and Key Managerial Personnel of the Company:

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr. Ondrej Kubik	Whole time Director	Re-appointment subject to approval of shareholders.	August 27, 2024
2.	Ms. Esha Pruthi	Whole time Director	Appointment regularization by Shareholders	September 09, 2024
3.	Mr. Ondrej Kubik	Whole time Director	Re-appointment regularization by Shareholders	September 09, 2024
4.	Mr. K Gopala Desikan *	Additional Non – Executive Director	Appointment subject to approval of shareholders	February 03, 2025
5.	Mr. Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
6.	Dr. Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
7.	Mr. Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
8.	Mr. K Gopala Desikan*	Non – Executive Director	Appointment regularization by shareholders.	February 03, 2025
9.	Mr. Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
10.	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
11.	Mr. Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
12.	Mr. Ondrej Kubik*	Whole – time Director	Resignation	February 03, 2025
13.	Mr. Anirban Majumder*	Whole – time Director	Resignation	February 03, 2025
14.	Ms. Esha Pruthi*	Whole – time Director	Resignation	February 03, 2025
15.	Mr. Rakesh Kapoor*	Independent Director	Resignation	February 03, 2025
16.	Mr. Jagdish Prasad*	Independent Director	Resignation	February 03, 2025
17.	Mr. Jean Lafontaine*	Non – Executive Director	Resignation	February 03, 2025
18.	Mr. Jean Pascal Pierre A. Duvieusart*	Non – Executive Director	Resignation	February 03, 2025
19.	Mr. Pavel Rozehnal*	Non – Executive Director	Resignation	February 03, 2025
20.	Mr. Sarpreet Singh Benipal*	Non – Executive Director	Resignation	February 03, 2025
21.	Mr. Ondrej Kubik	Chief Executive Officer	Resignation	February 21, 2025

** Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024*

4. During the year under review, the Company has approved borrowing limits and creation of security interest as per Section 180 (1) (C) and Section 180 (1) (a) of the Companies Act, 2013 in the extra ordinary general meeting held on February 03, 2025.

5. During the year under review, the Company has adopted the restated Articles of Association of the Company, in substitution, and to the entire exclusion, of the existing Articles of Association of the Company in the extra ordinary general meeting held on March 27, 2025 pursuant to requirement under the Shareholders Agreement dated January 28, 2025, executed by and between PI Opportunities Fund-II, TVS Holdings Limited, and STPL Trading and Services Private Limited (SHA) and Deed of Adherence dated February 03, 2025, signed by the Company.

6. During the period under review, the Company has entered into transactions with business entities in which directors are interested on arm's length basis and in ordinary course of business and the requisite approval(s) for all such transaction in this regard has been obtained from the Audit Committee and where there was a variance in the related party transactions, the ratification of the variances has been approved by the Audit Committee as on the date of signing of this report.

This Report is to be read with our letter of even date which is annexed as **Annexure** A and forms an integral part of this Report.

For Anjali Yadav & Associates
Company Secretaries
Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628G000173872
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 22, 2025

Annexure A

To,
The Members,
Home Credit India Finance Private Limited
S-7, Second Floor, Manish Chambers 4,
Plot No. 7, LSC, Sector -12,
District Court Complex,
Dwarka, Delhi -110075

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.

3. We have not verified the correctness and appropriateness of financial and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Anjali Yadav & Associates
Company Secretaries
Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628G000173872
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 22, 2025

Balance Sheet as at March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
1 Financial assets			
(a) Cash and cash equivalents	4	369.85	209.21
(b) Bank balance other than cash and cash equivalents	5	60.65	77.49
(c) Trade receivables	6	28.06	22.39
(d) Loans	7	5,012.36	4,995.51
(e) Other financial assets	8	63.66	61.61
		5,534.58	**5,366.21**
2 Non-financial assets			
(a) Current tax assets (net)	9	17.26	15.98
(b) Deferred tax assets (net)	10 (a)	213.23	725.64
(c) Property, plant and equipment	11	27.93	10.97
(d) Right-of-use assets	12	32.05	24.39
(e) Intangible assets under development	13 (a)	13.02	18.84
(f) Other intangible assets	13 (b)	96.65	111.31
(g) Other non-financial assets	14	35.82	26.82
		435.96	**933.95**
Total assets		**5,970.54**	**6,300.16**
Liabilities and equity			
Liabilities			
1 Financial liabilities			
(a) Payables	15		
(I) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	0.50
- Total outstanding dues of creditors other than micro enterprises and small enterprises		115.53	102.66
(II) Other payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		0.18	0.81
(b) Borrowings (other than debt securities)	16	3,928.46	3,780.83
(c) Lease liabilities	17	32.29	24.36
(d) Other financial liabilities	18	149.59	161.66
		4,226.05	**4,070.82**
2 Non-financial liabilities			
(a) Provisions	19	133.80	131.84
(b) Other non-financial liabilities	20	25.41	36.24
		159.21	**168.08**
Total liabilities		**4,385.26**	**4,238.90**
3 Equity			
(a) Equity share capital	21 (a)	1,131.81	1,091.09
(b) Other equity	21 (b)	453.47	970.17
Total equity		**1,585.28**	**2,061.26**
Total liabilities and equity		**5,970.54**	**6,300.16**
Material accounting policy information	3		
Notes to the financial statements	1 to 68		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 26, 2025

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Deepali Pant Joshi
Director
DIN: 07139051

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I	**Revenue from operations**			
	(i) Interest income	22	1,780.84	1,664.50
	(ii) Fees and commission income	23	315.70	262.53
	Total revenue from operations		**2,096.54**	**1,927.03**
II	Other income	24	4.70	5.45
III	**Total income (I+II)**		**2,101.24**	**1,932.48**
IV	**Expenses**			
	(i) Finance costs	25	435.81	401.17
	(ii) Impairment on financial instruments	26	751.06	594.40
	(iii) Employee benefits expenses	27	304.57	299.23
	(iv) Depreciation and amortization expenses	28	88.25	86.65
	(v) Other expenses	29	426.42	362.46
	Total expenses		**2,006.11**	**1,743.91**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**95.13**	**188.57**
VI	Exceptional items	30	**(62.64)**	**-**
VII	**Profit/ (loss) before tax (V+VI)**		**32.49**	**188.57**
VIII	**Tax expense:**	10 (b)		
	(i) Current tax		51.48	-
	(ii) Deferred tax charge (net)		511.05	46.75
	Total tax expense		**562.53**	**46.75**
IX	**Profit/ (loss) for the year (VII-VIII)**		**(530.04)**	**141.82**
X	**Other Comprehensive Income/ (loss)**			
	A. Items that will not be reclassified to profit or loss			
	- Remeasurement (losses)/gains on defined benefit plans		5.42	(2.79)
	- Income tax impact on above	10 (c)	(1.36)	0.70
	B. Items that will be reclassified to profit or loss and taxes thereon		-	-
	Other Comprehensive Income/ (loss) for the year, net of tax		**4.06**	**(2.09)**
XI	**Total Comprehensive Income/ (loss) for the year, net of tax (IX+X)**		**(525.98)**	**139.73**
XII	**Earnings per equity share (Face value of ₹ 10 per share)**	31		
	Basic (₹)		(4.86)	1.30
	Diluted (₹)		(4.86)	1.30
	Material accounting policy information	3		
	Notes to the financial statements	1 to 68		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 26, 2025

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Deepali Pant Joshi
Director
DIN: 07139051

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount
Equity share of ₹ 10 each, issued, subscribed and fully paid		
As at April 1, 2024	**1,09,10,89,176**	**1,091.09**
Changes in equity share capital during the year	4,07,16,613	40.72
As at March 31, 2025	**1,13,18,05,789**	**1,131.81**

Particulars	Number of shares	Amount
Equity share of ₹ 10 each, issued, subscribed and fully paid		
As at April 1, 2023	**1,09,10,89,176**	**1,091.09**
Changes in equity share capital during the year	-	-
As at March 31, 2024	**1,09,10,89,176**	**1,091.09**

B. Other equity

As at March 31, 2025	Reserves and surplus			Item of OCI	Total
	Statutory reserve as per section 45-IC of RBI Act, 1934	Securities premium	Retained earnings	Remeasurements of defined benefit plans	
As at April 1, 2024	**114.62**	**2,940.01**	**(2,082.64)**	**(1.82)**	**970.17**
Loss for the year	-	-	(530.04)	-	(530.04)
Other Comprehensive Income/(loss) for the year, net of tax (OCI)	-	-	-	4.06	4.06
Securities premium received	-	9.28	-	-	9.28
As at March 31, 2025	**114.62**	**2,949.29**	**(2,612.68)**	**2.24**	**453.47**

As at March 31, 2024	Reserves and surplus			Item of OCI	Total
	Statutory reserve as per section 45-IC of RBI Act, 1934	Securities premium	Retained earnings	Remeasurements of defined benefit plans	
As at April 1, 2023	**86.26**	**2,940.01**	**(2,196.10)**	**0.27**	**830.44**
Profit for the year	-	-	141.82	-	141.82
Other Comprehensive Income/(loss) for the year, net of tax (OCI)	-	-	-	(2.09)	(2.09)
Transfer from retained earnings to statutory reserve	28.36	-	(28.36)	-	-
As at March 31, 2024	**114.62**	**2,940.01**	**(2,082.64)**	**(1.82)**	**970.17**

Material accounting policy information	3
Notes to the financial statements	1 to 68

As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 26, 2025

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Neha Gupta
Company Secretary
M.No. A28625

Statement of Cash Flows for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A.	**Cash flow from operating activities**		
	Profit/(Loss) before taxes	32.49	188.57
	Add/(less) adjustments:		
	Depreciation and amortisation expense	88.25	86.65
	Impairment of intangible assets	62.64	-
	Interest expense on leases	3.76	4.17
	Liabilities written back	(2.21)	(0.04)
	Interest on income tax refund	-	(1.95)
	Interest expense on income tax	1.72	-
	Impairment loss allowance on loans	16.16	(136.17)
	Impairment loss allowance on other financial assets	3.84	(0.60)
	Other financial assets written off	0.99	0.31
	Amortisation of deferred finance cost	3.59	1.47
	Loss on settlement and loan closure	43.06	22.73
	Bad debts written off	890.04	950.39
	Loss / (profit) on sale of property, plant and equipment (net)	0.06	(1.00)
	Gain on lease modification	(0.01)	(0.16)
	Interest Income on security deposits	(1.61)	(1.45)
	Operating profit before working capital changes	**1,142.77**	**1,112.92**
	Working Capital Adjustments:		
	(Increase) in loans	(966.11)	(1,602.44)
	(Increase) in trade receivables	(11.21)	(5.24)
	Increase in trade payables	12.37	7.50
	(Increase) in other financial assets	(2.06)	(36.93)
	Increase in other financial liabilities	4.75	20.06
	Increase in provisions	7.38	5.55
	(Decrease) in other non-financial liabilities	(10.83)	(3.36)
	(Increase) in other non-financial assets	(8.98)	(0.97)
	(Increase)/Decrease in bank balance other than cash and cash equivalents	17.09	(47.70)
	Cash (used in)/ generated from operations before taxes	**185.17**	**(550.61)**
	Income taxes paid (net of refunds)	(54.48)	10.53
	Net cash (used in)/generated from operating activities (A)	**130.69**	**(540.08)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, Capital work-in-progress, other intangible assets and intangible assets under development	(128.53)	(58.43)
	Proceeds from sale of property, plant and equipment	0.32	1.00
	Net cash (used in)/ generated from investing activities (B)	**(128.21)**	**(57.43)**
C.	**Cash flow from financing activities**		
	Debt securities repaid	-	(11.31)
	Borrowings other than debt securities taken	5,717.47	2,414.77
	Borrowings other than debt securities repaid	(5,588.11)	(1,780.52)
	Proceeds from issue of share capital (including securities premium)	50.00	-
	Repayment of lease liabilities	(21.69)	(21.26)
	Net cash generated from/ (used in) financing activities (C)	**157.67**	**601.68**
D.	**Net increase in cash and cash equivalents (A+B+C)**	**160.15**	**4.17**
	Cash and cash equivalents at the beginning of the year in the statement of cash flows	209.70	205.53
	Cash and cash equivalents at the end of the year in the statement of cash flows	**369.85**	**209.70**

Statement of Cash Flows for the year ended March 31, 2025 (Contd.)

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Components of cash and cash equivalents in the statement of cash flows		
Cash and cash equivalents (refer note 4)		
Cash in hand	0.00	0.12
Balances with banks		
- In current accounts	369.85	194.58
- Deposits with banks (original maturity of three months or less)	-	15.00
	369.85	**209.70**
Less: Impairment loss allowance	-	0.49
	369.85	209.21

The above statement of cash flows has been prepared under the indirect method set out in Ind AS 7-Statement of Cash Flows.

As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

Sandeep Dinodia
Partner
Membership No:083689

Place: Gurugram
Date: April 26, 2025

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Deepali Pant Joshi
Director
DIN: 07139051

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Notes forming part of the financial statements for the year ended March 31, 2025

1. Company overview

Home Credit India Finance Private Limited ('the company') is a Systemically Important Non–Banking Financial Company (NBFC) incorporated on 1st October 1997 in India as Private Limited Company. The company is registered with the Reserve Bank of India ('RBI') as a Non–Banking Financial (Non-Deposit Accepting or Holding) Company ('NBFC - ND') vide certificate of registration number 01.00317 dated 20 September 1999 and subsequent to change in name of the company, a fresh registration number B-14.03292 dated 25 October 2013 has been obtained. The company has been classified as Middle Layer NBFC ("NBFC-ML") as per RBI Scale Based Regulations. The company is primarily engaged in the business of retail financing. The company does not accept deposits from the public.

2. Basis of preparation

2.1 Statement of Compliance

The financial statements for the year ended March 31, 2025 have been prepared by the company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. These financial statements have been approved by the Board of Directors in their meeting held on April 26, 2025.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.2 Basis of preparation, measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies in note 3) in accordance with the accounting principles generally accepted in India.

The Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ("NBFCs") that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹, INR, Rs. or Rupees), which is the company's functional and presentation currency. All amounts have been denominated in crores and rounded off to the nearest two decimals, except as stated otherwise. The amounts disclosed as '0.00' represent amounts below rounding off norms adopted by the company.

2.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying the company's accounting policies, management has made the following estimates and judgments, which have a significant impact on the carrying amount of assets and liabilities at each balance sheet date:

Business model assessment - Classification of financial assets: *Assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding.*

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. Refer note 40 & 41.

Impairment of financial assets

The company establishes criteria for determining whether credit risk on the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into measurement of expected credit loss ('ECL') and selection of models used to measure ECL.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is carried out in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Refer note 40 & 41.

Impairment of financial instruments: Determining inputs into the ECL measurement model, including incorporation of forward-looking information including key assumptions used in estimating recoverable cash flows

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL ('LTECL') basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Refer to note 41.

Effective Interest Rate (EIR) method

The company's EIR methodology, recognises interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

Notes forming part of the financial statements for the year ended March 31, 2025

Measurement of defined benefit obligations: key actuarial assumptions

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations. Refer to note 34.

Recognition of deferred tax assets

The company has recognised deferred tax assets/ (liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The company is expected to generate adequate taxable income for liquidating these assets in due course of time. Refer to note 10.

Recognition and measurement of provisions and contingencies

The company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

Useful lives and expected residual value of assets

Depreciation and amortisation are derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. Useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

2.5 Measurement of fair value

The company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The company has an established control framework with respect to the measurement of fair values. The company regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value of financial instruments measured at amortized cost is disclosed in Note 40.

3. Material accounting policy information

3.1 Financial Instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument.

This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets – Classification

On initial recognition, a financial asset is classified as measured at either of:

- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost, only if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

If cash flows after initial recognition are realized in a way that is different from the company's original expectations, the company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the company's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Collateral Repossession

In its normal course of business whenever default occurs, the company on the satisfaction of some internal logics initiate the Arbitration process and after getting the order from the Arbitral Tribunal takes the possession of two-wheeler in its secured portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The company generally does not use the assets repossessed for the internal operations. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the company also does not derecognise the underlying financial asset immediately on repossession. The company does not record repossessed assets on its Balance Sheet as non–current assets held for sale.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset – derecognition due to substantial modification of terms and conditions

The company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial asset – derecognition other than due to substantial modification

A financial asset, such as a loan to a customer, is derecognised only when:

- the company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Derecognition - Financial liability

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.2 Impairment of financial assets

Impairment of financial instruments:

The company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month

ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflects the general pattern of credit deterioration of a financial assets. The company categories financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the company.

The company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgment, in particulars, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The company regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

After initial recognition, trade receivables are subsequently measured at amortized cost using the effective interest method, less provision for impairment. The company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is charged to Statement of Profit and Loss and is recognised in OCI.

Write-offs

The gross carrying amount of a financial asset is written off when there is no realistic prospect of recovery and/or overdue beyond 180 days in case of loan assets (360 days in case of one joint lending arrangement). This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

3.3 Property, plant and equipment

Initial recognition and measurement

The cost of an item of Property, plant and equipment is recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment on the straight-line method based on the useful lives as specified in Part 'C' of Schedule II to the Act, except for the following assets, where the management's estimate of the useful life of such property, plant and equipment are lower than the lives arrived at on the basis of Schedule II of the Act:

Category of assets	Estimated life (Years) #
Servers (included in Computers)	5
Furniture and fixtures	3
Office equipment	2

#For the above-mentioned class of assets, based on internal technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions is being provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the year is being provided up to the dates on which such assets are sold / disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Leasehold improvements are amortised on a straight-line basis over the non-cancellable period of lease or management estimates of useful life, whichever is lower.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.4 Intangible assets

Initial recognition and measurement

Intangible assets acquired by the company are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase

price, including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset is recognised in profit or loss when the asset is de-recognised.

Amortization methods, estimated useful lives and residual value

Intangible assets, comprising software and Trademark, are amortised over the estimated useful life of 3 years to 5 years on a straight-line basis from the date of capitalization. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3.5 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

3.6 Provisions and contingencies

A provision is recognised if, as a result of a past event, the company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the year in which the change occurs.

3.7 Revenue recognition

Interest income on loans

Interest income from financial assets is recognised using Effective Interest Rate ('EIR') method.

The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired) or to the amortised cost of the liability. However, for the financial assets that have become credit impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other financial charges

Cheque bouncing charges, late payment charges, foreclosure and other related charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

Other income

Service fees income is recognised over the time as services are rendered, per the terms of the contract.

Insurance commission income is recognised in the month of issuance / renewal of the policy.

All other items of income are accounted for on accrual basis.

Recovery from bad debts

Recovery from bad debts written off is recognised as income and is netted off from Impairment on financial instruments, on the basis of actual realization from customers.

3.8 Employee Benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Benefits such as salaries and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee provides the related service.

Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund is a defined contribution plan. The company expenses its contributions towards provident fund which are being deposited with the Regional Provident Fund Commissioner.

Defined benefit plans

The company's gratuity scheme is an unfunded defined benefit plan. The company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of actuarial gains and losses are recognised in other comprehensive income:

Gratuity payable to the employees on fixed term contract with the company are accounted for on the basis of salary drawn and the period served as at the balance sheet date in accordance with the Payment of Gratuity Act, 1972.

Other long term employee benefits

Benefits under compensated absences constitute other employee benefits. Employee entitlements to annual leave are recognised when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees up to the Balance Sheet date. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Notes forming part of the financial statements for the year ended March 31, 2025

Leave encashment payable to the employees on fixed term contract with the company are accounted for on the basis of salary drawn and the accumulated leave balance as at the balance sheet date in accordance with the other long term employee benefits plans of the company.

3.9 Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the company operates and generates taxable income.

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if, the company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred tax

Deferred tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

3.10 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease; initial direct costs incurred; and
- the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the company to use an identified asset and require services to be provided to the company by the lessor, the company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

3.11 Foreign Currency Transactions

Transactions in foreign currency are translated into the functional currency of the company at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss of the period. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

3.12 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.13 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
4	**Cash and cash equivalents**		
	Cash in hand	0.00	0.12
	Balances with banks		
	- in current accounts	369.85	194.58
	- Deposits with banks (original maturity of three months or less)	-	15.00
		369.85	**209.70**
	Less : Impairment loss allowance	-	0.49
		369.85	**209.21**
5	**Bank balance other than cash and cash equivalents**		
	Fixed deposit with banks	-	10.09
	Other bank deposits (refer notes below)	60.92	67.92
		60.92	**78.01**
	Less : Impairment loss allowance	0.27	0.52
		60.65	**77.49**

Notes:

(i) ₹ 0.03 crores (March 31, 2024: ₹ 0.02 crores) fixed deposit included on which lien marked with banks for registration with VAT authorities.

(ii) ₹ 0.25 crores (March 31, 2024: ₹ 0.25 crores) fixed deposit included on which lien marked with banks for Aadhar verification.

(iii) ₹ 0.15 crores (March 31, 2024: ₹ 0.14 crores) fixed deposit included on which lien marked against overdraft.

(iv) ₹ 60.49 crores (March 31, 2024: ₹ 67.51 crores) fixed deposit include on which lien marked against securitisation transactions.

		As at March 31, 2025	As at March 31, 2024
6	**Trade receivables**		
	Trade receivables (unsecured) considered good	22.91	11.56
	Less: Impairment loss allowance	3.44	1.51
	Sub-total - (A)	**19.47**	**10.05**
	Trade receivables (unsecured) which have significant increase in credit risk	-	0.11
	Less: Impairment loss allowance	-	0.02
	Sub-total - (B)	**-**	**0.09**
	Trade receivables (unsecured) - credit impaired	5.05	1.33
	Less: Impairment loss allowance	5.05	1.33
	Sub-total - (C)	**-**	**-**
	Unbilled revenue	10.74	14.49
	Less: Impairment loss allowance	2.15	2.24
	Sub-total - (D)	**8.59**	**12.25**
	Total (A+B+C+D)	**28.06**	**22.39**

Notes:

1. No trade receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. The amount of ₹ 3.04 crores (March 31, 2024: ₹ 0.72 crores), excluding applicable taxes, pertaining to joint lending services fee recoverable is not included in the above, yet it is possible that the entity will collect the consideration to which it is entitled for the services that have been transferred to the customer.

As at March 31, 2025

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payments					
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	10.11	14.89	8.02	-	-	-	-	33.02
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	0.56	0.14	3.62	-	0.00	-	-	4.32
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	0.07	-	-	-	-	-	1.29	1.36
Total Receivables	**10.74**	**15.03**	**11.64**	**-**	**0.00**	**-**	**1.29**	**38.70**
Less: Impairment loss allowance								10.64
Net Receivables								**28.06**

As at March 31, 2024

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payments					
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	14.41	9.46	2.10	-	-	-	-	25.97
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	0.11	-	-	-	-	0.11
(iii) Undisputed trade receivables – credit impaired	-	-	0.04	-	-	-	-	0.04
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	0.08	-	-	-	-	-	1.29	1.37
Total Receivables	**14.49**	**9.46**	**2.25**	**-**	**-**	**-**	**1.29**	**27.49**
Less: Impairment loss allowance								5.10
Net Receivables								**22.39**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
7 Loans		
(A) Loans at Amortised cost		
Term loans		
(i) Two wheeler loans	0.00	0.00
(ii) Consumer durable loans	1,567.32	1,175.70
(iii) Cash loans	3,998.64	4,358.99
Total (A) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (A) - Net	**5,012.36**	**4,995.51**
(B) Secured/ Unsecured		
(i) Secured by tangible assets	0.00	0.00
(ii) Unsecured	5,565.96	5,534.69
Total (B) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (B) - Net	**5,012.36**	**4,995.51**
(C) Loans in India		
(i) Public sector	-	-
(ii) Others	5,565.96	5,534.69
Total (C) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (C) - Net	**5,012.36**	**4,995.51**

	As at March 31, 2025	As at March 31, 2024
8 Other financial assets		
Receivable from payment gateway providers	12.35	11.64
Security deposits	12.96	11.98
Receivables from channel partners	1.80	2.61
Recoverable from employees	0.51	0.53
Interest accrued but not due on fixed deposits	4.49	3.51
Other receivables*	34.14	34.91
	66.25	**65.18**
Less: Impairment loss allowance	2.59	3.57
	63.66	**61.61**

* Includes assets amounting to ₹ 34.00 crores (March 31, 2024: ₹ 34.00 crores) provided against securitisation transaction.

	As at March 31, 2025	As at March 31, 2024
9 Current tax assets (net)		
Advance tax and deduction at source* [net of provision for tax (including interest) of ₹ 141.87 crores (March 31, 2024: ₹ 88.68 crores)]	17.26	15.98
	17.26	**15.98**

* Includes ₹ 1.38 crores adjusted against tax demand by the authority.

10 Deferred tax assets (net) and tax expense

(a) Movement in deferred tax on temporary differences:

	As at April 1, 2023	Recognised in profit or loss during FY 2023-24	Recognised in OCI during FY 2023-24	As at March 31, 2024	Recognised in profit or loss during FY 2024-25	Recognised in OCI during FY 2024-25	As at March 31, 2025
Deferred tax assets:							
Provisions for employee benefits	13.06	6.54	0.70	20.30	(7.70)	(1.36)	11.24
Property, plant and equipment & Other intangible assets	27.67	(8.95)	-	18.72	10.59	-	29.31
Impairment loss allowance on loans	134.54	(34.25)	-	100.29	4.07	-	104.36
Effect of effective interest rate on interest income	22.76	11.21	-	33.97	(0.44)	-	33.53
Expense disallowable under section 94B of Income Tax Act, 1961	267.99	(11.36)	-	256.63	(256.63)	-	0.00
Unabsorbed depreciation under Income Tax Act, 1961	30.26	(3.05)	-	27.21	(27.21)	-	-
Brought forward losses under Income Tax Act, 1961	259.50	(12.50)	-	247.00	(247.00)	-	-
Other temporary differences	34.05	4.03	-	38.08	5.37	-	43.45
	789.83	**(48.33)**	**0.70**	**742.20**	**(518.95)**	**(1.36)**	**221.89**
Deferred tax liabilities:							
Other temporary differences	(18.14)	1.58	-	(16.56)	7.90	-	(8.66)
	(18.14)	**1.58**	**-**	**(16.56)**	**7.90**	**-**	**(8.66)**
Net deferred tax assets/ (liabilities)	**771.69**	**(46.75)**	**0.70**	**725.64**	**(511.05)**	**(1.36)**	**213.23**

The company has reassessed the deferred tax recognized as at March 31, 2025 and based on the assessment, the company has de-recognised the Deferred Tax Asset of ₹ 505.65 crores which was created on brought forward losses and interest expense disallowable under section 94B of Income Tax Act, 1961, the benefit of which will not be available to the company due to change in shareholding and consequent change in methodology of calculation, respectively.

Temporary differences getting consumed in next 5 years - The company expects that the temporary differences like impairment loss allowance on loans, provision for expenses, bonus, gratuity and income deferral etc. would be consumed in next 5 years.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

10 Deferred tax assets (net) and tax expense *(Continued)*

	For the year ended March 31, 2025	For the year ended March 31, 2024
(b) Amounts recognised in statement of profit and loss		
Particulars		
(i) Current tax		
Current year	51.48	-
Tax adjustments relating to earlier years	-	-
(ii) Deferred tax		
Attributable to-		
Origination and reversal of temporary differences	511.05	46.75
Tax expense recognised in Statement of profit and loss	**562.53**	**46.75**

(c) Income tax recognised in Other Comprehensive Income/ (loss)

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Before tax	Deferred tax (expense)/ benefit	Net of tax	Before tax	Deferred tax (expense)/ benefit	Net of tax
Remeasurement (losses)/gains on defined benefit plans	5.42	(1.36)	4.07	(2.79)	0.70	(2.09)
	5.42	**(1.36)**	**4.07**	**(2.79)**	**0.70**	**(2.09)**

(d) Reconciliation of effective tax expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit/ (loss) before tax	32.49	188.57
Total	**32.49**	**188.57**
Tax using the company's domestic tax rate of 25.17%	8.18	47.46
Effect of:		
Reversal of deferred tax on brought forward losses	249.02	-
Reversal of deferred tax on expense disallowable under section 94B of Income Tax Act, 1961	256.63	-
Non-deductible expenses	48.70	(0.71)
Effective tax expense	**562.53**	**46.75**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is 25.17%

11 Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Disposals	As at March 31,2025	As at April 1, 2024	For the year	Disposals	As at March 31, 2025	As at March 31, 2025
Leasehold improvements	62.53	-	-	62.53	62.53	0.00	-	62.53	-
Land and building	0.22	-	-	0.22	0.04	0.01	-	0.05	0.17
Furniture and fixtures	3.30	0.11	(0.17)	3.24	2.43	0.51	(0.18)	2.76	0.48
Computer and data processing units	136.82	24.00	(0.08)	160.74	127.34	6.18	(0.06)	133.46	27.28
Office equipments	20.77	0.00	(0.01)	20.76	20.76	0.01	(0.01)	20.76	0.00
Vehicles	0.48	-	(0.48)	-	0.05	0.06	(0.11)	-	-
Total	**224.12**	**24.11**	**(0.74)**	**247.49**	**213.15**	**6.77**	**(0.36)**	**219.56**	**27.93**

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Leasehold improvements	62.53	-	-	62.53	62.52	0.01	-	62.53	0.00
Land and building	0.22	-	-	0.22	0.03	0.01	-	0.04	0.18
Furniture and fixtures	3.28	0.06	(0.04)	3.30	1.33	1.14	(0.04)	2.43	0.87
Computer and data processing units	135.55	8.18	(6.91)	136.82	130.85	3.40	(6.91)	127.34	9.48
Office equipments	23.97	0.01	(3.21)	20.77	23.96	0.01	(3.21)	20.76	0.01
Vehicles	-	0.48	-	0.48	-	0.05	-	0.05	0.43
Total	**225.55**	**8.73**	**(10.16)**	**224.12**	**218.69**	**4.62**	**(10.16)**	**213.15**	**10.97**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

12 Right-of-use assets

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Disposals	As at March 31, 2025	As at April 1, 2024	For the year	Disposals	As at March 31, 2025	As at March 31, 2025
Leasehold Buildings	63.58	25.72	(13.15)	76.15	40.11	18.86	(13.07)	45.90	30.25
Computers	3.21	-	(3.21)	-	3.21	-	(3.21)	-	-
Vehicles	3.06	1.86	(1.31)	3.61	2.14	0.98	(1.31)	1.81	1.80
Total	**69.85**	**27.58**	**(17.67)**	**79.76**	**45.46**	**19.84**	**(17.59)**	**47.71**	**32.05**

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Leasehold Buildings	64.19	1.09	(1.70)	63.58	23.72	17.48	(1.09)	40.11	23.47
Computers	3.06	0.15	-	3.21	2.42	0.79	-	3.21	-
Vehicles	3.63	0.39	(0.96)	3.06	1.66	0.86	(0.38)	2.14	0.92
Total	**70.88**	**1.63**	**(2.66)**	**69.85**	**27.80**	**19.13**	**(1.47)**	**45.46**	**24.39**

	As at March 31, 2025	As at April 1, 2024
13 (a) Intangible assets under development	13.02	18.84
Movement of Intangible assets under development		
Opening Balance	18.84	15.46
Additions during the year	67.66	50.43
Capitalised during the year	(73.48)	(47.05)
Closing Balance	**13.02**	**18.84**

(b) Other intangible assets

Particulars	Gross block				Accumulated amortisation			Net block	
	As at April 1, 2024	Additions	Disposals*	As at March 31, 2025	As at April 1, 2024	For the year	Disposals*	As at March 31, 2025	As at March 31, 2025
Software	445.16	73.48	(142.12)	376.52	333.85	60.18	(79.48)	314.55	61.97
Trademark	-	36.14	-	36.14	-	1.46	-	1.46	34.68
Total	**445.16**	**109.62**	**(142.12)**	**412.66**	**333.85**	**61.64**	**(79.48)**	**316.01**	**96.65**

Particulars	Gross block				Accumulated amortisation			Net block	
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Software	398.11	47.05	-	445.16	270.95	62.90	-	333.85	111.31
Total	**398.11**	**47.05**	**-**	**445.16**	**270.95**	**62.90**	**-**	**333.85**	**111.31**

*represents softwares impaired during the year.

	As at March 31, 2025	As at March 31, 2024
14 Other non-financial assets		
Balance with tax authorities	10.82	6.79
Advances to employees	0.01	0.05
Prepaid expenses	24.02	18.64
Advance paid to suppliers	0.97	1.34
	35.82	**26.82**

	As at March 31, 2025	As at March 31, 2024
15 Payables		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises*	-	0.50
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	115.53	102.66
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises*	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	0.18	0.81
	115.71	**103.97**

* The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.

** Includes amount of ₹ Nil (March 31, 2024: ₹ 14.27 crores) for payable to related parties. (refer note 35)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

15 Payables (Contd.)

Trade payables ageing schedule

As at March 31, 2025

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of transaction				
			<1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-	-	-
ii. Others	100.57	2.02	10.65	0.28	0.61	0.02	114.15
iii. Disputed dues- MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	0.45	1.38
Total	**101.50**	**2.02**	**10.65**	**0.28**	**0.61**	**0.47**	**115.53**

As at March 31, 2024

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of transaction				
			<1 year*	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	0.50	-	-	-	-	0.50
ii. Others	83.69	2.32	14.56	0.38	0.11	0.22	101.28
iii. Disputed dues- MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	0.45	1.38
Total	**84.62**	**2.82**	**14.56**	**0.38**	**0.11**	**0.67**	**103.16**

* Unbilled payables have been disclosed under Others

	As at March 31, 2025	As at March 31, 2024
15.1 Disclosures relating to Micro, Small and Medium Enterprises Development Act, 2006 are as follows:		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	0.50
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) 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	-	-
Total	**-**	**0.50**

15.2 Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

	As at March 31, 2025	As at March 31, 2024
16 Borrowings (other than debt securities)*		
At Amortised cost		
Secured		
Term loans		
- From banks	3,153.27	45.67
- From other parties	151.02	148.72
Loans repayable on demand		
- Working capital demand loans from banks	150.00	18.00
External commercial borrowings from related parties	-	2,440.00
Associated liabilities in respect of securitization transaction#	304.17	643.44
Unsecured		
Loans repayable on demand		
- Working capital demand loans from banks	170.00	485.00
Total	**3,928.46**	**3,780.83**
Borrowings (other than debt securities) in India	3,928.46	1,340.83
Borrowings (other than debt securities) outside India	-	2,440.00
Total	**3,928.46**	**3,780.83**

*For terms of borrowings, refer note 43.
#Refer note 39 for details on securitization transaction.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
17	**Lease Liabilities**		
	Lease liabilities (refer note 62)	32.29	24.36
		32.29	**24.36**
18	**Other financial liabilities**		
	Interest accrued but not due on borrowings#	3.38	4.37
	Employee benefits payable	0.94	0.81
	Payable towards securitisation / assignment transactions	50.12	66.33
	Loans pending disbursement	2.97	2.22
	Other payables*	92.18	87.93
		149.59	**161.66**

includes ₹ Nil due to related parties (March 31, 2024: ₹ 1.79 crores) (refer note 35).

* Includes ₹ 80.00 crores (March 31, 2024: ₹ 80.90 crores) related to overpayments and prepayments received from customers.

		As at March 31, 2025	As at March 31, 2024
19	**Provisions**		
	Provision for employee benefits		
	Provision for gratuity (refer note 34)	16.74	18.70
	Provision for compensated absences (refer note 34)	7.99	8.23
	Provision for bonus	19.13	53.07
	Provision for incentives to customers	53.03	19.26
	Provision for contingent liabilities (taxes)	35.57	31.14
	Others	1.34	1.44
		133.80	**131.84**

	As at March 31, 2025	As at March 31, 2024
The movement in the provision for bonus is as follows:		
Balance at the beginning of the year	53.07	27.82
Provision recognized during the year (net)	26.53	54.88
Provision (utilized) during the year	(60.47)	(29.63)
Balance at the end of the year	**19.13**	**53.07**
The movement in the provision for incentives to customers is as follows:		
Balance at the beginning of the year	19.26	5.67
Provision recognized during the year (net)	144.25	48.85
Provision (utilized) during the year	(110.48)	(35.26)
Balance at the end of the year	**53.03**	**19.26**

The company offers a product where it waives a part of its receivable amount (e.g. a number of last instalments) under the condition that the customer keeps his payment discipline throughout the term of the loan. Therefore, the impact on the loan's cash flows is estimated using the expected success rate of the instalment waiver feature. Estimated expected success rate is based on the previous actual instalment waiver benefits given to the customer and on an estimate of the expected future instalment waiver.

	As at March 31, 2025	As at March 31, 2024
The movement in the provision for contingent liabilities (taxes) is as follows:		
Balance at the beginning of the year	31.14	65.99
Provision recognized during the year (net)	4.43	(34.85)
Provision (utilized) during the year	-	-
Balance at the end of the year	**35.57**	**31.14**

		As at March 31, 2025	As at March 31, 2024
20	**Other non-financial liabilities**		
	Statutory dues payable	24.61	31.21
	Other liabilities	0.80	5.03
		25.41	**36.24**

21(a) Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity shares of ₹ 10 each	2,10,00,00,000	2,100.00	2,10,00,00,000	2,100.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,13,18,05,789	1,131.81	1,09,10,89,176	1,091.09

a) **Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year:**

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each				
Opening balance	1,09,10,89,176	1,091.09	1,09,10,89,176	1,091.09
Issued during the year (fully paid up)	4,07,16,613	40.72	-	-
Outstanding at the end of the year	**1,13,18,05,789**	**1,131.81**	**1,09,10,89,176**	**1,091.09**

b) Terms/ rights, preference and restrictions attached to equity shares: The company has only one class of equity shares having a par value of ₹ 10 per share. The holders of the equity shares are entitled to receive dividends and are entitled to voting rights proportionate to their share holding at the meetings of shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after discharging all liabilities of the company, in proportion to their shareholding.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

c) **Shares held by the holding company**

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares of ₹ 10 each		
91,72,68,691 (March 31, 2024: Nil) shares held by TVS Holdings Limited	917.27	-
Percentage of holding (%)	81.04%	-
Nil (March 31, 2024: 1,09,10,89,166) shares held by Home Credit India B.V., the Netherlands (refer note below)	-	1,091.09
Percentage of holding (%)	-	99.99%
Note: The balance 10 shares as on March 31, 2024 are held by Home Credit International a.s as a nominee shareholder.		

d) **Details of shareholders holding more than 5% shares in the company:**

Name of shareholder	Number of shares	% of shareholding
As at March 31, 2025		
TVS Holdings Limited, the holding company	91,72,68,691	81.04%
PI Opportunities Fund-II	12,21,21,845	10.79%
STPL Trading and Services Private Limited	9,24,15,253	8.17%
Total	**1,13,18,05,789**	**100.00%**
As at March 31, 2024		
Home Credit India B.V., the Netherlands	1,09,10,89,166	99.99%
Total	**1,09,10,89,166**	**99.99%**

e) **Details of shares held by the promoters**

As at March 31, 2025

Particulars	Shares held by promoters at the beginning of the year		Shares held by promoters at the end of the year		% change during the year
Promoter name	**No of shares**	**% of total shares**	**No of shares**	**% of total shares**	
TVS Holdings Limited, the holding company	-	-	91,72,68,691	81.04%	81.04%
STPL Trading and Services Private Limited	-	-	9,24,15,253	8.17%	8.17%
Home Credit India B.V.	1,09,10,89,166	99.99%	-	-	-99.99%
Home Credit International a.s.	10	0.01%	-	-	-0.01%
Total	**1,09,10,89,176**	**100%**	**1,00,96,83,944**	**89.21%**	**-10.79%**

As at March 31, 2024

Particulars	Shares held by promoters at the beginning of the year		Shares held by promoters at the end of the year		% change during the year
Promoter name	**No of shares**	**% of total shares**	**No of shares**	**% of total shares**	
Home Credit India B.V.	1,09,10,89,166	99.99%	1,09,10,89,166	99.99%	-
Home Credit International a.s.	10	0.01%	10	0.01%	-
Total	**1,09,10,89,176**	**100%**	**1,09,10,89,176**	**100%**	**-**

f) No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment.

g) During the period of five years immediately preceding the reporting date, no bonus shares have been issued, no shares have been issued for consideration other than cash and no shares have been bought back.

h) During the year ended March 31, 2025, the erstwhile shareholders have transferred their 100% shareholding in the company to the new shareholders, post receipt of approval from RBI vide letter dated November 29, 2024. In the said letter, the RBI has directed the acquiring company to ensure the consolidation of NBFCs in the resulting structure/ group, within 30 months from the date of approval.

	As at March 31, 2025	As at March 31, 2024
21 (b) Other equity		
Statutory reserve (as per Section 45-IC of the RBI Act, 1934)	114.62	114.62
Securities premium	2,949.29	2,940.01
Retained earnings	(2,612.68)	(2,082.64)
Other comprehensive income	2.24	(1.82)
	453.47	**970.17**

a) Statutory reserve (as per Section 45-IC of the RBI Act, 1934)

Opening balance	114.62	86.26
Add: Amount transferred during the year	-	28.36
Closing balance	**114.62**	**114.62**

	As at March 31, 2025	As at March 31, 2024
b) Securities premium		
Opening balance	2,940.01	2,940.01
Add: Additions during the year	9.28	-
Closing balance	**2,949.29**	**2,940.01**
c) Retained earnings		
Opening balance	(2,082.64)	(2,196.10)
Add: Profit/ (loss) for the year	(530.04)	141.82
Less: Transfer to statutory reserve	-	(28.36)
Closing balance	**(2,612.68)**	**(2,082.64)**
d) Other Comprehensive Income		
Opening balance	(1.82)	0.27
Add: (Loss)/income for the year	4.06	(2.09)
Closing balance	**2.24**	**(1.82)**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Statutory reserve

Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (the 'RBI Act'). Under Section 45-IC of the RBI Act, a company is required to transfer sum not less than twenty percent of its net profit every year. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

Securities premium

Securities premium account is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provisions of the Act.

Retained earnings

Retained earnings represents total of all profits/ (losses) retained or incurred since the company's inception. Retained earnings are credited with the current year's profits, reduced by losses, (if any).

Other Comprehensive Income

Remeasurement gain/(loss) on defined benefit plan: Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

		For the year ended March 31, 2025	For the year ended March 31, 2024
22	**Interest income**		
	At Amortised cost		
	Interest on loans*	1,770.26	1,656.83
	Interest on bank deposits#	10.58	7.67
		1,780.84	**1,664.50**

* Includes subvention income of ₹ 190.79 crores (March 31, 2024: ₹ 111.91 crores). Also, refer note no. 33 for breakup of interest income.

Includes interest on deposits held in the name of third party as provided against securitisation transactions.

23	**Fees and commission income***		
	Service fees	267.39	234.21
	Sales commission	48.31	28.32
		315.70	**262.53**

* Refer note no. 33 and 38

24	**Other income**		
	Shared revenue from related party (refer note 35)	-	0.15
	Profit on sale of property, plant and equipment (net)	-	1.00
	Gain on lease modification	0.01	0.16
	Miscellaneous income	4.69	4.14
		4.70	**5.45**

25	**Finance costs**		
	Interest expenses on financial liabilities measured at amortised cost		
	Interest on borrowings (other than debt securities)*	419.37	389.38
	Interest on debt securities	-	0.63
	Interest expense on leases	3.76	4.17
	Interest expense on income tax	1.72	-
	Corporate guarantee & SBLC charges#	6.36	5.52
	Other borrowing costs	4.60	1.47
		435.81	**401.17**

* Includes ₹ 213.36 crores (March 31, 2024: ₹ 295.46 crores) for related parties (refer note 35)

Includes ₹ 5.84 crores (March 31, 2024: ₹ 5.05 crores) for related parties (refer note 35)

		For the year ended March 31, 2025	For the year ended March 31, 2024
26	**Impairment on financial instruments**		
	On financial instruments measured at amortized cost		
	Impairment loss allowance on loans (refer note 1 below)	16.16	(136.17)
	Loss on settlement and loan closure	43.06	22.73
	Bad debts written off (refer note 2 below) {(refer note 43.2(h)}	890.04	950.39
	Bad debts (recovered)	(203.03)	(242.26)
	Impairment loss allowance on other financial assets	3.84	(0.60)
	Other financial assets written off	0.99	0.31
		751.06	**594.40**

Notes:

1) Impairment loss allowance on stage 3 income amounting to ₹ 0.21 crores (March 31, 2024: ₹ 6.69 crores) netted off with interest income.

2) The contractual amount outstanding of financial assets written off over the periods including ₹ 890.04 crores for the year ended March 31, 2025 (March 31, 2024: ₹ 950.39 crores) are subject to enforcement activity.

27	**Employee benefits expenses**		
	Salaries and wages	272.96	271.80
	Contribution to provident and other funds (refer note 34)	14.32	12.53
	Gratuity (refer note 34)	5.52	4.55
	Compensated absences (refer note 34)	2.66	4.29
	Staff welfare	9.11	6.06
		304.57	**299.23**

28	**Depreciation and amortization expenses**		
	Depreciation on property, plant and equipment	6.77	4.62
	Depreciation on right-of-use assets	19.84	19.13
	Amortization of other intangible assets	61.64	62.90
		88.25	**86.65**

29	**Other expenses**		
	Information technology maintenance fees*	136.71	103.64
	Rent #	1.58	1.23
	Travelling and accommodation**	2.90	3.66
	Incentive	7.24	5.65
	Repairs and maintenance	25.55	20.59
	Communication	31.40	32.37
	Management service fees (Include Trademark Fees) (refer note 35)	27.82	29.84
	Legal and professional ##	156.03	163.67
	Electricity and water	5.85	4.86
	Rates and taxes (refer note 32.1(c))	6.19	(31.05)
	Corporate social responsibility (CSR) expenditure (refer note 61)	1.52	-
	Business promotion	3.82	9.23

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Recruitment expenses	0.43	0.41
Payment processing and account maintenance	14.49	13.09
Printing and stationery	0.15	0.17
Insurance	0.10	0.17
Loss on sale of property, plant, equipment (net)	0.06	-
Loss on foreign currency transactions (net)	1.34	2.52
Miscellaneous	3.24	2.41
	426.42	**362.46**

* Include ₹ 80.48 crores (March 31, 2024: ₹ 75.15 crores) for related parties (refer note 35)

** Include ₹ 0.66 crores (March 31, 2024: ₹ 0.92 crores) for related parties (refer note 35)

Payments to auditor (excluding taxes)

As auditor		
- for statutory audit	0.20	0.22
- for tax audit	0.02	0.04
- for limited review	0.02	-
- for other audit services	0.09	0.12
- for reimbursement of expenses	0.00	0.01
- Payments made to previous auditor	0.05	-
	0.38	**0.39**

30 Exceptional items

Impairment of intangible assets [refer note 13(b)]	(62.64)	-
	(62.64)	**-**

31 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table shows the income and share data used in the basic and diluted EPS calculations:

Particulars	Units	For the year ended March 31, 2025	For the year ended March 31, 2024
(Loss)/Profit after tax (A)	₹ Crores	(530.04)	141.82
Weighted average number of equity shares used in computing basic and diluted earnings per share (B)	Number of shares	1,09,15,35,385	1,09,10,89,176
Basic and diluted earnings per equity share (C= A/B)	₹ per share	(4.86)	1.30

Reconciliation of weighted average number of equity shares for the year ended March 31, 2025 and March 31, 2024 for basic and diluted earnings per share:

Particulars	No. of shares	Weighted average no. of shares as at March 31, 2025
Equity shares of face value of ₹ 10 per share from:		
- April 1, 2024 to March 31, 2025	1,09,10,89,176	1,09,10,89,176
- March 28, 2025 to March 31, 2025	4,07,16,613	4,46,209
Total	**1,13,18,05,789**	**1,09,15,35,385**

Particulars	No. of shares	Weighted average no. of shares as at March 31, 2024
Equity shares of face value of ₹ 10 per share from:		
- April 1, 2023 to March 31, 2024	1,09,10,89,176	1,09,10,89,176
Total	**1,09,10,89,176**	**1,09,10,89,176**

32 Contingent liabilities and commitments

32.1 Contingent liabilities

(a) The pending tax litigations comprises claims against the company pertaining to proceedings pending with income tax amounting to ₹ 7.84 crores (March 31, 2024: ₹ 7.84 crores).

(b) The suits filed & legal notices against company in relation with customer complaints in the ordinary course of business as on March 31, 2025 amounting ₹ 1.10 crores (March 31, 2024: ₹ 0.73 crores.)

(c) In earlier year, the associated enterprise / the related party has received a draft order under section 144C(1) from the Income Tax Department for assessment year 2020-2021 with respect to the applicability of section 194LD of the Income Tax Act, 1961 on the interest payments on debentures issued by the company to the associated enterprise, wherein, the Income Tax Department has taxed the interest payments from the company at the rate of 10% instead of 5% as withheld by the company as tax deducted at source under section 194LD. Aggrieved by the above draft order from the Income Tax Department, the associated enterprise had filed an objection with Dispute Resolution Panel (DRP) on 21st October 2022. However, in the previous year, the group has received a favourable order under section 156 of Income Tax Act, 1961 imposing zero demand on the group. Accordingly, the company has reversed the provision of ₹ 49.81 crores during the previous year as there is no longer any tax implication on the company.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

32.2 Capital and undrawn limits

Estimated amount of contracts remaining to be executed on capital account and not provided for amounted to ₹ 0.49 crores (March 31, 2024: ₹ 1.82 crores) (net of advances). Undrawn commitments as at March 31, 2025 is ₹ 9.74 crores (March 31, 2024: ₹ 25.57 crores).

There is an uncommitted limit assigned to the EMI card customers at the time of issuance of card. The balance of unutilised limit as on March 31, 2025 is ₹ 1,491.33 crores (March 31, 2024: ₹ 1,124.30 crores)

33 Operating segments

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. The company is engaged in the business of financing and related financial services. Accordingly, the company's activities/business is regularly reviewed by the Board of Directors and Chief Executive Officer from an overall business perspective, rather than reviewing its product/services as individual standalone components. Thus, the company has only one operating segment, and no reportable segments in accordance with Ind AS 108 Operating Segments.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Entity wide disclosures as required by Ind AS 108 are as follows:

a. Information about products and services:

The company focusses on lending primarily to people with little or no credit history. It offers easy, simple and fast loans for a range of Home Appliances, Mobile Phones, Laptops, Two Wheelers, and varied personal needs.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from various portfolios is as follows:		
-Two wheeler loans	0.00	0.01
-Consumer durable loans	430.86	313.75
-Cash loans	1,339.40	1,343.07
	1,770.26	**1,656.83**
Safe pay fees income* from various portfolios is as follows:		
-Consumer durable loans	60.05	44.36
-Cash loans	66.61	76.20
	126.66	**120.56**

* Service fees include safe pay fees (refer note 23)

b. Information about geographical areas:

The entire income of the company are generated from customers which are domiciled in India.

c. Information about major customers (from external customers):

The company does not derive revenues, from any single customer, amounting to 10 per cent or more of company's revenues.

34 Retirement benefit plans

34.1 Defined contribution plan

The company makes monthly contribution towards provident fund, labour welfare fund (LWF) and employee state insurance corporation (ESIC) which are defined contribution plans. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident fund	12.02	10.77
Employer's contribution to LWF	0.18	0.18
Employer's contribution to ESIC	2.12	1.58
	14.32	**12.53**

34.2 Defined benefit plan

The company operates an unfunded gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days base salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five year of continuous service. The benefit to employees is as per the plan rules or as per the Payment of Gratuity Act, 1972, whichever is earlier.

i) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	18.69	16.38
Included in profit or loss		
Current service cost	4.09	3.25
Interest cost	1.23	0.98
Past service cost (non vested benefits)	-	-
	5.32	**4.23**
Remeasurement losses/ (gains) in other comprehensive (income)/ loss (OCI)		
Actuarial losses/ (gains) arising from:		
- demographic assumptions	8.66	0.62
- financial assumptions	(14.20)	2.18
- experience adjustment	0.12	(0.01)
	(5.42)	**2.79**
Other		
Benefit paid by the company	(1.86)	(4.71)
	(1.86)	**(4.71)**
Balance at the end of the year	**16.73**	**18.69**
Current liability	2.37	3.31
Non-current liability	14.36	15.38
	16.73	**18.69**

Since the liability is not funded, Therefore information with regards to the plan assets has not been furnished.

ii) Expense recognised in statement of profit and loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	4.09	3.25
Interest cost	1.23	0.98
Past service cost (non vested benefits)	-	-
	5.32	**4.23**

iii) Expense recognised in Other Comprehensive (Income)/ loss

Actuarial losses/ (gains) arising from:		
- demographic assumptions	8.66	0.62
- financial assumptions	(14.20)	2.18
- experience adjustment	0.12	(0.01)
	(5.42)	**2.79**

iv) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

(a) Discount rate	6.50%	6.90%
(b) Future salary growth#		
-Mass	8.00%	10.00%
-Non Mass	8.00%	18.00%
(c) Mortality	IALM (2006-08)	IALM (2006-08)
(d) Retirement age (years)	58	58
(e) Withdrawal rate	Refer below table	Refer below table

For the year ended March 31, 2025

Age	Mass	Non Mass
Less than 25	45%	45%
26-30	30%	25%
31-35	30%	20%
36-40	20%	15%
41 and above	20%	10%

For the year ended March 31, 2024

Age	Mass	Non Mass
Less than 22	50%	40%
22-25	50%	35%
26-30	45%	35%
31-35	35%	30%
36-40	30%	25%
41 and above	20%	18%

#The estimate of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and relevant factors such as supply and demand in the employment market etc.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

v) Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	Year ended March 31, 2025		Year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.97)	1.09	(0.95)	1.06
Future salary growth (1% movement)	1.06	(0.96)	0.96	(0.89)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi) Expected contribution during the next annual reporting period: Since the scheme is managed on unfunded basis, the next year contribution is taken as Nil (previous year Nil)**.**

vii) Expected maturity analysis of the defined benefit plans in future years

Duration (years)	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 1 year	2.45	3.43
Between 2 to 5 years	12.01	14.33
Above 5 years	19.27	21.46
	33.73	**39.22**

As at March 31, 2025, the weighted-average duration of the defined benefit obligation was 5 years (March 31, 2024: 4 years)

viii) Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the company is exposed to various risks as follows:-

Interest Rate Risk : The defined benefit obligation calculation uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligations will tend to increase

Salary Inflation Risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements due that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

34.3 The above disclosure excludes the gratuity expense amounting to ₹ 0.20 crores (March 31, 2024: ₹ 0.32 crores) recognised towards the amount payable to the employees on fixed term contract with the company. The above expenses has been determined in accordance with the Payment of Gratuity Act, 1972. The total amount payable as at March 31, 2025 to the above employees on fixed term contract is ₹ 0.01 crores (March 31, 2024: ₹0.01 crores)

34.4 Other long term employee benefit plans

Other long-term employee benefit plans include compensated absences. The company operates an earned leave plan under which employees are entitled to a benefit equivalent to their earned leave balance, comprising up to 15 days of accumulated leave from previous years, in addition to leave accrued during the current year up to the date of separation from the company. The same is payable during retirement, withdrawal of scheme, resignation by employee, disability and upon death of employee. The salary for calculation of earned leave is last drawn salary. The amount of the provision of ₹ 2.52 crores (March 31, 2024: ₹ 2.55 crores) is current liability and ₹ 5.47 crores (March 31, 2024: ₹ 5.68 crores) is non-current liability as per the actuarial report and management details, however, for maturity analysis (refer note 42), the same has been disclosed as payable within 12 months as the company does not have an unconditional right to defer payment post 12 months. During the year ended March 31, 2025, the company has recognised the expense of ₹ 2.66 crores (March 31, 2024: ₹ 4.29 crores)

34.5 The Indian Parliament has approved the Social Security Code, 2020, which consolidates and subsumes the Provident Fund, Gratuity Act, and related rules. The Ministry of Labour and Employment has also released the draft rules under this code on November 13, 2020, and has invited suggestions from stakeholders. These suggestions are currently under active consideration by the Ministry. The company will closely evaluate these draft rules, assess any potential impact, and make the necessary accounting adjustments once the final rules are notified and come into effect.

35 Related party transactions

a) List of Related parties:

i) Entities having control over the company:

- TVS Holdings Limited (holding company) (w.e.f. February 03, 2025)
- PPF Group N.V. (NL) (ultimate holding company) (till February 03, 2025)
- PPF Financial Holdings a.s. (CZ) (step up holding) (till February 03, 2025)
- Home Credit Group B.V. the Netherlands (step up holding) (till November 28, 2023)
- Home Credit N.V., the Netherlands (step up holding) (till February 03, 2025)
- HC Asia B.V., the Netherlands (step up holding) (till December 31, 2023)
- Home Credit India B.V., the Netherlands (holding company) (till February 03, 2025)

ii) Key managerial personnel (KMP):

- K Gopala Desikan, Non-Executive director (w.e.f. February 03, 2025)
- Balasubramanyam Sriram, Independent director (w.e.f. February 03, 2025)
- Deepali Pant Joshi, Independent director (w.e.f. February 03, 2025)
- Kunnawalkam Elayavalli Ranganathan, Independent director (w.e.f. February 03, 2025)
- Ondrej Kubik, Whole time director (till February 03, 2025)/Chief Executive Officer (till February 21, 2025)
- Vivek Singh, Chief Executive Officer (w.e.f. April 07, 2025)
- Vijay Dhingra, Whole time director (till October 13, 2023)
- Esha Pruthi, Whole time director (w.e.f. November 24, 2023 till February 03, 2025)
- Rakesh Kapoor, Independent director (till February 03, 2025)
- Anirban Majumder, Whole time director (till February 03, 2025)/ Chief financial officer
- Jagdish Prasad, Independent director (till February 03, 2025)
- Sarpreet Benipal, Non executive director (till February 03, 2025)
- Jean Lefontaine, Non executive director (till February 03, 2025)
- Pavel Rozehnal, Non executive director (till February 03, 2025)
- Jean Pascal Pierre A. Duvieusart, Non-Executive Director (w.e.f. September 29, 2023 till February 03, 2025),
- Gaurav Sharma, Company secretary (till December 7, 2023)
- Neha Gupta, Company secretary (w.e.f. December 8, 2023)

iii) Fellow subsidiaries with whom transactions have taken during the year or previous year

- Home Credit International a.s (till February 03, 2025)
- AB 4 B.V. (till February 03, 2025)
- PPF CO3 B.V. (till February 03, 2025)
- PT. Home Credit, Indonesia (till October 02, 2023)
- Home Credit Vietnam Finance Company Limited (till February 03, 2025)
- HC Consumer Finance Philippines, Inc. (till May 31, 2023)
- EmbedIT s.r.o (till February 03, 2025)
- Embedinfo Technologies India Private Limited (till February 03, 2025)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

b) Transactions with the related parties are as follows: #

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Compensation to key management personnel		
Short term employee benefits	50.03	29.47
Sitting fees	0.23	0.15
Professional fees	1.22	1.24
Issue of share capital (including securities premium)		
TVS Holdings Limited, the holding company	44.61	-
External commercial borrowings (repayment) ##		
AB 4 B.V.	1,200.00	175.00
PPF CO3 B.V.	1,240.00	-
Interest on external commercial borrowings		
AB 4 B.V.	104.64	148.72
PPF CO3 B.V.	108.72	146.74
Corporate guarantee & SBLC charges		
Home Credit Group B.V., the Netherlands	-	2.14
Home Credit N.V., the Netherlands	5.84	2.91
Management service fees		
Home Credit International a.s	-	12.44
Home Credit N.V., the Netherlands	15.02	6.25
Travelling and accommodation		
Home Credit International a.s	-	0.67
Home Credit N.V., the Netherlands	0.66	0.25
Information technology maintenance fees		
Home Credit International a.s	0.35	1.01
EmbedIT s.r.o	80.21	74.14
Purchase of intangible assets		
EmbedIT s.r.o	59.75	46.21
Trademark fee*		
Home Credit International a.s	40.93	8.69
Other Income		
PT. Home Credit, Indonesia	-	0.05
Home Credit Vietnam Finance Company Limited	-	0.05
HC Consumer Finance Philippines, Inc.	-	0.05

*Trademark fee includes one time lumpsum payment made for 4 years which has been capitalised under 'Other intangible assets' amounting to ₹ 33.15 crores.

#The amounts are exclusive of applicable GST.

In addition to the repayment, ECB were renewed during the year.

c) Outstanding balances with related parties are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Payables		
Home Credit International a.s	-	2.33
Home Credit N.V., the Netherlands	-	8.79
EmbedIT s.r.o	-	3.15
External commercial borrowings		
PPF CO3 B.V.	-	1,240.00
AB 4 B.V	-	1,200.00
Interest accrued but not due on external commercial borrowings		
PPF CO3 B.V.	-	1.44
AB 4 B.V	-	0.35
Corporate Guarantee		
Home Credit N.V., the Netherlands	-	861.00

d) Transfer Pricing

The company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. The management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961 will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision of taxation, if any.

36 Capital management

The company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI). The adequacy of the company's capital is monitored using, among other measures, the regulations issued by the RBI. The company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the company's capital management policy are to ensure that the company complies with regulatory capital requirements. The company ensures adequate capital at all time and manages its business in a way in which capital is protected, satisfactory business growth is ensure, cash flow are monitored, borrowing covenants are honoured and ratings are maintained.

The RBI norms require capital to be maintained at prescribed level in accordance with such norms, Tier I capital of the company comprises share capital, share premium, retained earnings, statutory reserve, less deferred revenue expenditure, deferred tax assets and other intangible assets (includes Unbilled Revenue, Capital advance, leasehold improvements and First loss credit enhancement on securitization) etc. The other component of regulatory capital is Tier II capital instruments, and includes 12 month expected credit loss allowances for financial instruments (Stage 1 assets) i.e. where the credit risk has not increased significantly since initial recognition, to the extent the same does not exceed 1.25 % of risk weight assets less first loss credit enhancement on securitization, as applicable. Life time expected credit loss allowance on financial instrument (stage 2 and stage 3 assets) is reduced from risk weighted assets. There were no changes in capital management process during the period presented. Refer note no 45(i).

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024

37 Events after balance sheet date

There have been no events after the reporting date that requires disclosure in these financial statements.

38 Revenue from contracts with customers

Below table provides disaggregation of the company's revenue from contracts with customers and reconciliation with Statement of profit and loss:

Type of Service		
Service fees (including penalty and safe pay fee)	267.39	234.21
Sales commission (including on mobile insurance)	48.31	28.32
Total	**315.70**	**262.53**
Geographical markets		
India	315.70	262.53
Outside India	-	-
Total	**315.70**	**262.53**
Timing of recognition of revenue		
Performance obligation satisfied at a point in time	315.70	262.53
Performance obligation satisfied over period of time	-	-
Total	**315.70**	**262.53**
Contract balances:		
Trade receivables	9.41	9.56
	9.41	**9.56**

39 Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

Securitisation

The company had transferred certain pools of fixed rate loan receivables by entering into securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by various parties for consideration received in cash at the inception of the transaction.

The company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and transferring the same to SPV Trust for making scheduled payouts to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the company to provide for first loss credit enhancement in various forms, such as cash collateral as a credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the company was exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the company had retained substantially all the risks and rewards of ownership of the financial asset and thereby did not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liabilities in respect of securitization transactions" under Note no.16.

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amount of assets at amortised cost	584.76	810.39
Carrying amount of associated liabilities#	304.17	643.44
For those liabilities that have recourse only to the transferred financial assets	-	-
Fair value of transferred assets	527.67	741.01
Fair value of associated liabilities	307.78	650.74
Net position	219.89	90.27

Excludes the amount collected at year end and yet to be paid to borrowers at year end. The same has been disclosed under the head "other financial liabilities". Balance as at March 31, 2025 is ₹ 50.12 crores (March 31, 2024: ₹ 66.33 crores)

Note: The fair value of the transferred assets has been estimated on the basis similar to other assets carried at amortised cost, as the loan portfolio is homogeneous in nature.

40 Financial instruments

a. Financial instruments by category and fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

As at March 31, 2025	Carrying Amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets						
Cash and cash equivalents*	-	-	369.85	-	-	-
Bank balance other than cash and cash equivalents*	-	-	60.65	-	-	-
Trade receivables*	-	-	28.06	-	-	-
Loans	-	-	5,012.36	-	-	5,002.01
Other financial assets						
Security deposits	-	-	10.51	-	-	11.40
Other than security deposits*	-	-	53.15	-	-	-
	-	-	**5,534.58**	-	-	**5,013.41**
Financial liabilities						
Payables						
(I) Trade payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	115.53	-	-	-
(II) Other payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	0.18	-	-	-
Borrowings (other than debt Securities)	-	-	3,928.46	-	-	3,929.32
Lease liabilities*			32.29	-	-	-
Other financial liabilities*	-	-	149.59	-	-	-
	-	-	**4,226.05**	-	-	**3,929.32**

As at March 31, 2024	Carrying Amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets						
Cash and cash equivalents*	-	-	209.21	-	-	-
Bank balance other than cash and cash equivalents*	-	-	77.49	-	-	-
Trade receivables*	-	-	22.39	-	-	-
Loans	-	-	4,995.51	-	-	5,034.23
Other financial assets						
Security deposits	-	-	9.36	-	-	9.71
Other than security deposits*	-	-	52.25	-	-	-
	-	-	**5,366.21**	-	-	**5,043.94**
Financial liabilities						
Payables						
(I) Trade payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	0.50	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	102.66	-	-	-
(II) Other payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	0.81	-	-	-
Debt Securities	-	-	-	-	-	-
Borrowings (other than debt Securities)	-	-	3,780.83	-	-	3,784.13
Lease liabilities*	-	-	24.36	-	-	-
Other financial liabilities*	-	-	161.66	-	-	-
	-	-	**4,070.82**	-	-	**3,784.13**

*The carrying amount of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, other financial assets, trade payable, other payables, lease liabilities and other financial liabilities approximates the fair value, due to their short-term nature.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Security Deposits:

The fair value of security deposits has been calculated based on the cash flows discounted using EIR.

Loans:

The fair value of loans are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flows. Fair value is then reduced by unamortised income and expenses and impairment loss allowance on loans which is already calculated incorporating probability of default and loss given defaults

Debt securities and borrowings (other than debt securities):

Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the company's own credit risk or based on market-observable data. For floating rate interest borrowings, the discounted value of expected cash flows represent the carrying amount of the borrowings.

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

b. Valuation framework

The finance department of the company includes personnel that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. These personnel reports directly to the Chief Financial Officer.

Valuation techniques include net present value and discounted cash flow models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates and other premium used in estimating discount rates and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The company uses suitable valuation models to determine the fair value of common and simple financial instruments, that use only observable market data and require little management judgement and estimation.

There were no transfer between the levels during the year.

41 Risk management framework

41.1 Risk profile and risk mitigation

Risk management structure and company's risk profile

The company's Board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the company's risk management policies. The committee reports regularly to the Board of directors on its activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The Board of directors monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The Board of directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

41.2 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's loans, trade receivables, other financial assets, balance and deposits with banks and financial institutions.

The carrying amounts of financial assets represent the maximum credit risk exposure.

a) Credit risk management

The company has a comprehensive framework for monitoring credit quality of its loans primarily based on Days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit Quality of loans

The following table sets out information about credit quality of loans based on days past due information.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Loans measured at amortised cost

Particulars	Stages	Gross carrying amount	Weighted average loss rate	Loss allowance	Whether credit -impaired
As at March 31, 2025					
Current (not past due)*	Stage 1	4,873.70	1.40%	68.40	No
1-30 days past due	Stage 1	215.88	21.01%	45.35	No
31-60 days past due	Stage 2	117.28	40.11%	47.04	No
61-90 days past due	Stage 2	82.58	44.45%	36.70	No
More than 90 days past due	Stage 3	276.52	80.51%	222.62	Yes
		5,565.96	**7.55%**	**420.11**	
As at March 31, 2024					
Current (not past due)*	Stage 1	4,854.47	1.75%	84.81	No
1-30 days past due	Stage 1	223.47	17.84%	39.87	No
31-60 days past due	Stage 2	117.26	35.22%	41.30	No
61-90 days past due	Stage 2	82.83	38.28%	31.71	No
More than 90 days past due	Stage 3	256.66	80.28%	206.05	Yes
		5,534.69	**7.29%**	**403.74**	

*Loss Allowance includes ₹ 15.78 crores (March 31, 2024: ₹ 12.22 crores) pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation and ₹ 0.10 crores (March 31, 2024: ₹ 0.26 crore) towards undrawn commitments.

The company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into retail lending business, there is no significant credit risk of any individual customer that may impact the company adversely, and hence the company has calculated its impairment loss allowances on a collective basis.

41.2.1 Analysis of risk concentration

The company's concentrations of risk are managed on the basis of client/counterparty and industry sector. The maximum credit exposure to any individual was ₹ 0.05 crores and ₹ 0.05 crores as at March 31, 2025 and March 31, 2024, respectively.

41.2.2 An analysis of changes in gross carrying amount in relation to loans is as follows:

	Total	Stage 1	Stage 2	Stage 3
Two Wheeler loans*				
Gross carrying amount as at April 01, 2023	**0.37**	**0.24**	**0.02**	**0.11**
New financial assets originated	-	-	-	-
New financial assets originated transferred to stage 2 and stage 3	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(0.36)	(0.24)	(0.02)	(0.10)
Others	(0.01)	-	-	(0.01)
Gross carrying amount as at March 31, 2024	**0.00**	**0.00**	**-**	**-**
New financial assets originated	-	-	-	-
New financial assets originated transferred to stage 2 and stage 3	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(0.00)	(0.00)	-	-
Others	-	-	-	-
Gross carrying amount as at March 31, 2025	**0.00**	**0.00**	**-**	**-**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ Nil; March 31, 2024: ₹ Nil;

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Reconciliation of impairment loss allowance in relation to two wheeler loans is as follows:

Two Wheeler loans	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at April 1, 2023	0.08	**0.00**	**0.01**	**0.07**
New financial assets originated	-	-	-	-
Change in estimates/assumptions	(0.00)	(0.00)	(0.00)	(0.00)
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(0.08)	(0.00)	(0.01)	(0.07)
Impairment loss allowance as at March 31, 2024	**0.00**	**0.00**	**-**	**-**
New financial assets originated	-	-	-	-
Change in estimates/assumptions	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(0.00)	(0.00)	-	-
Impairment loss allowance as at March 31, 2025	**0.00**	**0.00**	**-**	**-**

Consumer durable loans*	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	**818.64**	**701.96**	**37.97**	**78.71**
New financial assets originated	1,174.24	1,174.24	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(88.06)	42.72	45.34
Transfer from stage 1 to stage 2 and stage 3	-	(0.83)	0.04	0.79
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.01	0.00	(0.01)
Financial assets repaid including write offs	(817.11)	(700.70)	(37.97)	(78.44)
Others	(0.07)	-	-	(0.07)
Gross carrying amount as at March 31, 2024	**1,175.70**	**1,086.62**	**42.76**	**46.32**
New financial assets originated	1,563.09	1,563.09	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(107.64)	50.59	57.05
Transfer from stage 1 to stage 2 and stage 3	-	(3.12)	0.41	2.71
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(1,171.52)	(1,082.63)	(42.76)	(46.13)
Others	0.05	-	-	0.05
Gross carrying amount as at March 31, 2025	**1,567.32**	**1,456.32**	**51.00**	**60.00**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 42.49 crores; March 31, 2024: ₹ 34.18 crores;

Reconciliation of impairment loss allowance in relation to consumer durables loans is as follows:

Consumer durable loans	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at April 1, 2023	**99.02**	**26.80**	**15.79**	**56.43**
New financial assets originated	77.08	29.03	15.93	32.12
Change in estimates/assumptions	0.47	(0.03)	0.02	0.48
Transfer from stage 1 to stage 2 and stage 3	-	(0.03)	0.00	0.03
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	0.00	(0.00)
Financial assets repaid including write offs	(97.38)	(25.40)	(15.79)	(56.19)
Impairment loss allowance as at March 31, 2024	**79.19**	**30.37**	**15.95**	**32.87**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Consumer durable loans	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
New financial assets originated	102.41	40.32	22.07	40.02
Change in estimates/assumptions	(9.65)	(11.73)	0.16	1.92
Transfer from stage 1 to stage 2 and stage 3	-	(0.05)	0.01	0.04
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(67.19)	(18.55)	(15.95)	(32.69)
Impairment loss allowance as at March 31, 2025	**104.76**	**40.36**	**22.24**	**42.16**

Cash loans*	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Gross carrying amount as at April 01, 2023	**4,048.77**	**3,579.14**	**145.78**	**323.85**
New financial assets originated	2,721.01	2,721.01	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(124.90)	65.09	59.81
Transfer from stage 1 to stage 2 and stage 3	-	(226.69)	89.30	137.39
Transfer from stage 2 to stage 1 and stage 3	-	3.44	(7.51)	4.07
Transfer from stage 3 to stage 1 and stage 2	-	4.19	0.52	(4.71)
Financial assets repaid including write offs	(2,402.75)	(1,964.87)	(135.85)	(302.03)
Others	(8.04)	-	-	(8.04)
Gross carrying amount as at March 31, 2024	**4,358.99**	**3,991.32**	**157.33**	**210.34**
New financial assets originated	2,076.74	2,076.74	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(90.28)	46.71	43.57
Transfer from stage 1 to stage 2 and stage 3	-	(257.98)	100.12	157.86
Transfer from stage 2 to stage 1 and stage 3	-	2.06	(7.25)	5.19
Transfer from stage 3 to stage 1 and stage 2	-	0.99	0.23	(1.22)
Financial assets repaid including write offs	(2,437.44)	(2,089.59)	(148.28)	(199.57)
Others	0.35	-	-	0.35
Gross carrying amount as at March 31, 2025	**3,998.64**	**3,633.26**	**148.86**	**216.52**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 91.00 crores; March 31, 2024: ₹ 101.26 crores;

Reconciliation of impairment loss allowance in relation to cash loans is as follows:

Cash loans	**Total**	**Stage 1**	**Stage 2**	**Stage 3**
Impairment loss allowance as at April 01, 2023	447.50	**123.75**	**56.79**	**266.96**
New financial assets originated	127.79	55.26	23.61	48.92
Change in estimates/assumptions	118.80	(13.72)	28.99	103.53
Transfer from stage 1 to stage 2 and stage 3	-	(7.84)	3.09	4.75
Transfer from stage 2 to stage 1 and stage 3	-	1.34	(2.92)	1.58
Transfer from stage 3 to stage 1 and stage 2	-	3.45	0.43	(3.88)
Financial assets repaid including write offs	(369.54)	(67.93)	(52.93)	(248.68)
Impairment loss allowance as at March 31, 2024	**324.55**	**94.31**	**57.06**	**173.18**
New financial assets acquired/originated	89.05	33.68	19.29	36.08
Change in estimates/assumptions	168.54	(1.11)	39.00	130.65
Transfer from stage 1 to stage 2 and stage 3	**-**	(6.07)	2.37	3.70
Transfer from stage 2 to stage 1 and stage 3	**-**	0.75	(2.63)	1.88
Transfer from stage 3 to stage 1 and stage 2	**-**	0.82	0.19	(1.01)
Financial assets repaid including write offs	(266.79)	(48.99)	(53.78)	(164.02)
Impairment loss allowance as at March 31, 2025	**315.35**	**73.39**	**61.50**	**180.46**

Note 1: There is no loan asset measured at FVTPL/ FVOCI or designated at FVTPL.

Note 2: The contractual amount outstanding of financial assets that has been written off by the company during the year ended March 31, 2025 and that were still subject to enforcement activity was ₹ 890.04 crores (March 31, 2024 ₹ 950.39 crores)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

41.2.3 Concentration of credit risk grouping

The company monitors concentration of credit risk by sector and by geographic location. An analysis of concentration of credit risk (net) from financial assets is shown below.

	As at March 31, 2025	As at March 31, 2024
Loans and advances to customers	**Amount**	**Amount**
per Geographical grouping		
India	5,012.36	4,995.51
Outside India	-	-
Total	**5,012.36**	**4,995.51**
per Region		
North India	3,624.03	3,510.73
South India	596.09	679.54
East India	0.35	3.71
West India	791.89	801.53
Total	**5,012.36**	**4,995.51**

41.3 Liquidity risk

Liquidity risk arises as the company has contractual financial liabilities that is required to be serviced and redeemed as per committed timelines and in the business of lending where money is required for the disbursement and creation of financial assets to address the going concern of company. Liquidity risk management is imperative to company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations. The company with the help of Asset and Liability Management Committee (ALCO) and ALM policy, monitors the liquidity risk and uses structural, dynamic liquidity statements and cash flow statements as a mechanism to address this.

The company aims to maintain the level of its cash equivalents, un-utilised borrowing lines and cash inflow at an amount in excess of expected cash outflows on financial liabilities over the next one year.

41.3.1 Contractual maturities of financial instruments

The table below summarises the maturity profile of the undiscounted cash flows of the company's financial assets and liabilities as at March 31, 2025 and March 31, 2024. The below maturities are based on contractual cash flows (without considering provision and impact of effective interest rate method of recognition).

	Contractual cash flows				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	369.85	-	-	-	369.85
Bank balance other than cash and cash equivalents	-	0.18	60.74	-	60.92
Trade receivables	-	38.70	-	-	38.70
Loans	-	3,423.78	2,142.18	-	5,565.96
Other financial assets	-	21.54	48.10	-	69.64
Total undiscounted financial assets	**369.85**	**3,484.20**	**2,251.02**	**-**	**6,105.07**
Financial liabilities					
Payables					
(I) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	115.53	-	-	115.53
(II) Other Payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.18	-	-	0.18
Borrowings (other than debt securities)	-	1,760.99	2,167.67	-	3,928.66
Lease liabilities	-	14.47	21.84	-	36.31
Other financial liabilities	-	149.59	-	-	149.59
Total undiscounted financial liabilities	**-**	**2,040.76**	**2,189.51**	**-**	**4,230.27**
Net undiscounted financial assets/(liabilities)	**369.85**	**1,443.44**	**61.51**	**-**	**1,874.80**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Contractual cash flows				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	194.70	15.00	-	-	209.70
Bank balance other than cash and cash equivalents	-	0.14	77.87	-	78.01
Trade receivables	-	27.49	-	-	27.49
Loans	-	3,179.57	2,355.12	-	5,534.69
Other financial assets	-	20.26	48.27	-	68.53
Total undiscounted financial assets	**194.70**	**3,242.46**	**2,481.26**	**-**	**5,918.42**
Financial liabilities					
Payables					
(I) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	0.50	-	-	0.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	102.66	-	-	102.66
(II) Other payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.81	-	-	0.81
Debt securities	-	-		-	-
Borrowings (other than debt securities)	-	3,492.37	288.90	-	3,781.27
Lease liabilities	-	16.17	12.20	-	28.37
Other financial liabilities	-	161.66	-	-	161.66
Total undiscounted financial liabilities	**-**	**3,774.17**	**301.10**	**-**	**4,075.27**
Net undiscounted financial assets/(liabilities)*	**194.70**	**(531.71)**	**2,180.16**	**-**	**1,843.15**

	As at March 31, 2025	As at March 31, 2024
Total Undrawn commitments	9.74	25.57

*The expected net cashflows within less than 1 year are appearing negative mainly because of repayments due for External Commercial Borrowings (ECBs). It is expected to be resolved with likely fresh local fundings and/or ECBs renewal/extension closer to the maturity dates of these ECBs. Historically, all the ECBs have been renewed by the Group. company don't foresee any regulatory/administrative challenge in renewal/extension of these ECBs.

41.4 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

41.4.1 Interest rate risk

Interest rate risk is the risk that arises from fluctuations of interest rate in market. It is imperative for the company to measure and assess interest rate risk, as it has financial assets and liabilities at fixed and floating rate of interest, as any movement could negatively and positively affect the value of financial asset and liabilities.

The exposure of company's financial assets and liabilities to interest rate risk is as follows:

Financial assets (loans)*	**Floating rate instruments**	**Fixed rate instruments**
March 31, 2025	-	5,565.96
March 31, 2024	-	5,534.69

Financial liabilities (borrowings)*

March 31, 2025	3,303.33	625.33
March 31, 2024	283.67	3,497.60

* before adjustment of impairment loss allowance and unamortised income & expenses

The table below illustrates the impact of 1% movement in interest rates on interest expense on borrowings (floating rate instruments) assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date.

Movement in interest rates	**Effect on profit before tax**	
	For the year ended March 31, 2025	**For the year ended March 31, 2024**
Increase (1.00%)	31.85	0.77
Decrease (1.00%)	(31.85)	(0.77)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

41.4.2 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency trade payables and trade receivables.

The table below indicates the currencies to which the company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Rupees (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non–trading monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the Rupees would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in % Year ended March 31, 2025	Effect on profit before tax Year ended March 31, 2025	Change in currency rate in % Year ended March 31, 2024	Effect on profit before tax Year ended March 31, 2024
EUR	+5%	(0.25)	+5%	(0.80)

41.5 In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies ("NBFCs") are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning ("IRACP") norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

42 Maturity analysis of assets and liabilities#

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulas	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	369.85	-	369.85	209.21	-	209.21
Bank balance other than cash and cash equivalents	0.16	60.49	60.65	0.14	77.35	77.49
Trade receivables	28.06	-	28.06	22.39	-	22.39
Loans	3,210.46	1,801.90	5,012.36	2,869.83	2,125.68	4,995.51
Other financial assets	20.18	43.48	63.66	17.90	43.71	61.61
Total financial assets	**3,628.71**	**1,905.87**	**5,534.58**	**3,119.47**	**2,246.74**	**5,366.21**
Non-financial assets						
Current tax assets (net)	-	17.26	17.26	-	15.98	15.98
Deferred tax assets (net)	-	213.23	213.23	-	725.64	725.64
Property, plant and equipment	-	27.93	27.93	-	10.97	10.97
Right-of-use assets	-	32.05	32.05	-	24.39	24.39
Intangible assets under development	-	13.02	13.02	-	18.84	18.84
Other intangible assets	-	96.65	96.65	-	111.31	111.31
Other non-financial assets	35.66	0.16	35.82	26.76	0.06	26.82
Total non-financial assets	**35.66**	**400.30**	**435.96**	**26.76**	**907.19**	**933.95**
Total assets	**3,664.37**	**2,306.17**	**5,970.54**	**3,146.23**	**3,153.93**	**6,300.16**

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Particulas	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial liabilities						
Payables						
(I) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	0.50	-	0.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	115.53	-	115.53	102.66	-	102.66
(II) Other Payables						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.18	-	0.18	0.81	-	0.81
Borrowings (other than debt securities)	1,760.79	2,167.67	3,928.46	3,492.34	288.49	3,780.83
Lease liabilities	12.42	19.87	32.29	14.06	10.30	24.36
Other financial liabilities	149.59	-	149.59	161.66	-	161.66
Total financial liabilities	**2,038.51**	**2,187.54**	**4,226.05**	**3,772.03**	**298.79**	**4,070.82**
Non-financial liabilities						
Provisions	81.72	52.08	133.80	61.19	70.65	131.84
Other non-financial liabilities	25.41	-	25.41	36.24	-	36.24
Total non-financial liabilities	**107.13**	**52.08**	**159.21**	**97.43**	**70.65**	**168.08**
Total liabilities	**2,145.64**	**2,239.62**	**4,385.26**	**3,869.46**	**369.43**	**4,238.90**
Net	**1,518.73**	**66.55**	**1,585.28**	**(723.23)**	**2,784.50**	**2,061.25**

Changes in liabilities arising from financing activities

Particulars	As at April 1, 2024	Cash flows	Interest expense	Others*	As at March 31, 2025
Borrowings (other than debt securities)**	3,843.86	129.36	-	3.59	3,976.81
Lease liabilities	24.36	(21.69)	3.76	25.86	32.29
Total liabilities from financing activities	**3,868.22**	**107.67**	**3.76**	**29.45**	**4,009.10**

Particulars	As at April 1, 2023	Cash flows	Interest expense	Others*	As at March 31, 2024
Debt securities	11.17	(11.31)	-	0.14	-
Borrowings (other than debt securities)**	3,208.28	634.25	-	1.33	3,843.86
Lease liabilities	41.11	(21.26)	4.17	0.34	24.36
Total liabilities from financing activities	**3,260.56**	**601.68**	**4.17**	**1.81**	**3,868.22**

*includes amortised expense of loan processing charges and non cash addition/deletion for right-of-use assets.

**including principal amount of payable for securitisation transaction as included in 'Payable towards securitisation / assignment transactions' as disclosed under 'Other financial liabilities'.

The amounts are after adjusting unamortised expenses and income and impairment loss allowance.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

43. Terms of borrowings

Following are the details of certain significant terms and conditions of the borrowings for the year ended March 31, 2025 and year ended March 31, 2024:

Note no. (i) Secured term loans^

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Borrowing Start date	Borrowings Maturity date
Kisetsu Saison Finance (India) Private Limited	-	12.50	-	2	Quarterly	21-Sep-23	15-Sep-24
Kisetsu Saison Finance (India) Private Limited	-	8.75	-	1	Quarterly	28-Jun-23	15-Jun-24
Kisetsu Saison Finance (India) Private Limited	-	25.00	-	4	Quarterly	23-Jan-24	15-Jan-25
Northern Arc Capital Limited	-	37.50	-	2	Quarterly	21-Aug-23	25-Aug-24
Northern Arc Capital Limited	-	50.00	-	4	Quarterly	17-Jan-24	27-Jan-25
DCB Bank	-	1.67	-	1	Monthly	12-May-23	30-Apr-24
Deutsche Bank*	-	44.00	-	1	On Maturity	28-Dec-23	27-Dec-24
Incred Financial Services Limited	3.75	15.00	1	4	Quarterly	29-Mar-24	10-Apr-25
Deutsche Bank	3,000.00	-	3	-	3 Installments	30-Jan-25	30-Jul-26
DCB Bank	3.33	-	2	-	Monthly	11-Jun-24	31-May-25
Kisetsu Saison Finance (India) Private Limited	25.00	-	2	-	Quarterly	30-Aug-24	15-Aug-25
Northern Arc Capital Limited	25.00	-	2	-	Quarterly	09-Sep-24	05-Sep-25
Piramal Enterprises Limited	40.83	-	7	-	Monthly	30-Sep-24	29-Sep-25
Shriram Finance Limited	19.04	-	9	-	Monthly	04-Dec-24	05-Dec-25
Kisetsu Saison Finance (India) Private Limited	37.50	-	3	-	Quarterly	23-Dec-24	15-Dec-25
Federal Bank	150.00	-	21	-	Monthly	29-Mar-25	29-Mar-27
Total (As per contractual terms) (A)	**3,304.46**	**194.42**					
Less: Unamortised finance cost **(B)**	0.17	0.03					
Total (A)-(B)	**3,304.29**	**194.39**					

^Secured term loans are secured by first pari-passu charge on all receivables of the Company. As at March 31, 2025: Rate of interest varies from 8.75% to 13.30% per annum (March 31, 2024: Rate of interest varies from 10.17% to 13.35% per annum.)

* As at March 31, 2024, Secured by Corporate Guarantee given by Home Credit N.V

Note no. (ii) Secured working capital demand loans and overdraft from banks#

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date
Axis Bank	-	18.00	-	1	On Maturity	28-Nov-23	21-May-24
Axis Bank	48.00	-	1	-	On Maturity	26-Dec-24	24-Jun-25
Axis Bank	52.00	-	1	-	On Maturity	07-Feb-25	05-Aug-25
HDFC Bank	50.00	-	1	-	On Maturity	05-Feb-25	05-May-25
Total (As per contractual terms) (A)	**150.00**	**18.00**					
Less: Unamortised finance cost **(B)**	-	-					
Total (A)-(B)	**150.00**	**18.00**					

working capital demand loans from banks are secured by first pari-passu charge on all receivables of the company. As at March 31, 2024, working capital demand loans were secured by Corporate Guarantee given by Home Credit N.V.. As at March 31, 2025: Rate of interest varies from 8.75% to 10.45% per annum (March 31, 2024: 11% per annum.)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Note no. (iii) External commercial borrowings from related party *

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date#
PPF CO3 B.V.	-	300.00	-	1	On Maturity	03-Sep-19	19-Sep-24
PPF CO3 B.V.	-	440.00	-	1	On Maturity	13-Dec-19	28-Jan-25
PPF CO3 B.V.	-	500.00	-	1	On Maturity	03-Oct-19	18-Oct-24
AB 4 B.V.	-	350.00	-	1	On Maturity	26-Jul-19	10-Aug-24
AB 4 B.V.	-	300.00	-	1	On Maturity	24-Sep-19	10-Oct-24
AB 4 B.V.	-	550.00	-	1	On Maturity	30-Oct-19	14-Nov-24
Total (As per contractual terms) (A)	**-**	**2,440.00**					
Less: Unamortised finance cost **(B)**	-	-					
Total (A)-(B)	**-**	**2,440.00**					

* As at March 31, 2024, external commercial borrowings from related party were secured by first pari-passu charge on consumer finance portfolio of the company. Rate of interest on these outstanding borrowings as on March 31, 2024 varied from 10.34% to 10.94% per annum.

The External commercial borrowing were renewed during the year ended March 31, 2025 and have been repaid.

Note no. (iv) Associated liabilities in respect of securitization transactions

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date#
Nimbus CL Dhan 2022 (2)	-	3.50	-	2	Monthly	28-Mar-23	15-Jun-24
Aditya Birla Ganesha Trust 2023 (3)	-	59.13	-	9	Monthly	30-Jun-23	15-Jan-25
Aditya Birla Ganesha Trust 2023 (4)	3.37	105.41	1	13	Monthly	25-Oct-23	15-May-25
Aditya Birla Ganesha Trust 2023 (5)	24.66	111.90	8	17	Monthly	27-Feb-24	15-Dec-25
Aditya Birla Ganesha Trust 2023 (6)	68.90	-	19	-	Monthly	28-May-24	15-Nov-26
Nimbus CL Dhan 2023 (3)	3.09	35.14	3	13	Monthly	27-Sep-23	15-Jul-25
Nimbus 2023 Shiva-A1	-	39.12	-	11	Monthly	29-Sep-23	17-Apr-25
Nimbus 2023 Shiva-A2	1.02	1.03	1	1	On Maturity	29-Sep-23	17-Apr-25
Kuber 01- Trust 2024	124.98	180.17	15	32	Monthly	25-Jan-24	15-Jul-26
Kuber 02- Trust 2024	78.17	108.45	17	35	Monthly	26-Mar-24	15-Sep-26
Total (As per contractual terms) (A)	**304.20**	**643.85**					
Less: Unamortised finance cost **(B)**	0.03	0.41					
Total (A)-(B)	**304.17**	**643.44**					

As on March 31, 2025, rate of interest on securitization transactions varies from 11.00% to 13.00% per annum. (March 31, 2024 Rate of interest:11.00% to 13.00% per annum)

Maturity dates with respect to Associated liabilities in respect of securitization transactions has been considered basis the latest repayment schedule agreed with the party.

Note no. (v) Unsecured working capital demand loans from banks $

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date
CITI Bank	-	30.00	-	1	On Maturity	01-Nov-23	24-Apr-24
CITI Bank	-	40.00	-	1	On Maturity	16-Nov-23	09-May-24
CITI Bank	-	20.00	-	1	On Maturity	21-Nov-23	14-May-24
CITI Bank	-	20.00	-	1	On Maturity	28-Nov-23	26-Apr-24
CITI Bank	-	35.00	-	1	On Maturity	28-Dec-23	26-Apr-24
CITI Bank	-	20.00	-	1	On Maturity	28-Dec-23	19-Jun-24
CITI Bank	-	15.00	-	1	On Maturity	12-Jan-24	04-Jul-24
CITI Bank	-	15.00	-	1	On Maturity	15-Jan-24	05-Jul-24
CITI Bank	-	35.00	-	1	On Maturity	12-Mar-24	03-Sep-24
CITI Bank	-	15.00	-	1	On Maturity	12-Mar-24	03-Sep-24
CITI Bank	-	50.00	-	1	On Maturity	27-Mar-24	18-Sep-24
Deutsche Bank	-	60.00	-	1	On Maturity	15-Mar-24	30-Aug-24
Deutsche Bank	-	40.00	-	1	On Maturity	22-Dec-23	14-Jun-24
Deutsche Bank	-	40.00	-	1	On Maturity	18-Dec-23	16-Apr-24
Deutsche Bank	-	50.00	-	1	On Maturity	09-Nov-23	07-May-24
CITI Bank	75.00	-	1	-	On Maturity	21-Feb-25	22-May-25
CITI Bank	95.00	-	1	-	On Maturity	27-Feb-25	28-May-25
Total	**170.00**	**485.00**					

$ Interest rate on these loans as on March 31, 2025 varies from 9.00% to 9.25% per annum. (March 31, 2024: 9.31% to 10.29% per annum). As at March 31, 2024, working capital demand loans were secured by Corporate Guarantee given by Home Credit N.V..

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

44 Additional Disclosures of Schedule III

i) Quarterly returns or statements of current assets filed by the company with Banks or financial institutions are in agreement with the books of accounts.

ii) (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) No funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entity ("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;

iii) No proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The company has not surrendered or disclosed any transaction during the period and / or previous year, in the tax assessments under the Income Tax Act, 1961 that is not recorded in the books of accounts.

v) The company has not traded or invested in Crypto currency or Virtual currency anytime during the current and previous year.

vi) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

vii) The title deeds, comprising all the immovable properties which are freehold, are held in the name of the company as at the balance sheet date.

viii) The company does not have any transaction during the year or investment, receivable from, payable to or its Shares held by or any other outstanding with Struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except the following:

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
MXTECH PRO (OPC) Private Limited.	Payables	NA	-	0.02

ix) All charges or satisfaction are registered with the ROC within the statutory period for the year ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with the ROC beyond the statutory period.

x) Clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, pertaining to restriction on number of layers, is not applicable on the company for the year ended March 31, 2025 and March 31, 2024 as the company does not have any investments.

xi) Ratios for the current and previous years are as follows along with reason for variance if more than 25%:

Ratio	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for variance (if above 25% variance)
Capital to risk-weighted assets Ratio (CRAR)	1,146.42	5,963.10	19.23%	18.70%	2.83%	Not Applicable
Tier I CRAR	1,139.99	5,963.10	19.12%	18.70%	2.26%	Not Applicable
Tier II CRAR	6.43	5,963.10	0.11%	-	100.00%	As on March 31, 2024, Tier II capital has been absorbed by the first credit loss enhancement on securitization.
Liquidity Coverage Ratio	325.84	140.20	232.41%	172.25%	34.92%	Increase in HQLA

xii) The company has not revalued any of its property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation is nil.

xiii) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the year ended March 31, 2025 and year ended March 31, 2024.

xiv) No loans or advances in the nature of loans have been granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

xv) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

45 With effect from April 1, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies vide notification no. G.S.R 365(E) dated March 30, 2016, for financial reporting purposes, the company has followed the Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS). Accordingly, the information given below is disclosed by the company based on Ind AS financial statements and other records maintained by the company for the year ended March 31, 2025. For the purpose of these disclosures "Non-performing assets (NPA)" represents Stage 3 loans and "Standard assets" represents "Stage 1" and "Stage 2" as defined in Ind AS financial statements.

Following information is disclosed in terms of the Master Direction – Reserve Bank of India (Non-Banking Financial company – Scale Based Regulation) Directions, 2023.

i) Capital funds, risk assets/ exposure and risk asset ratio (CRAR)*

Items	As at March 31, 2025	As at March 31, 2024
CRAR (%)#	19.23%	18.70%
CRAR - Tier I capital (%)	19.12%	18.70%
CRAR - Tier II capital (%)	0.11%	-
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

balance of acquisition cost capitalized on loans and borrowings has been adjusted while computing net owned fund for the purpose of capital adequacy ratio.

*Capital adequacy ratio is calculated in compliance with the circular issued on implementation of Ind AS vide circular number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020.

ii) Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Value of investments		
Gross value of investments		
(a) In India	-	-
(b) Outside India	-	-
Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
Net value of investments		
(a) In India	-	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments.		
(a) Opening balance	-	-
(b) Add : Provisions made during the year	-	-
(c) Less : Write-off / write-back of excess provisions during the year	-	-
(d) Closing balance	-	-

iii) Disclosure on Derivatives (Forward Rate Agreement / Interest Rate Swap/Exchange Traded Interest Rate (IR) Derivatives)

The company has not entered into any derivative contracts during the year and previous year.

iv) Details of financing of parent company products

There is no financing of parent company's product during the year ended March 31, 2025 and March 31, 2024.

v) Details of single borrower limit/ group borrower limit exceeded

The company has not exceeded the prudential exposure limit in respect of single borrower or group borrower .

vi) Unsecured advances

Gross loans and advances includes unsecured advances ₹ 5,565.96 crores (March 31, 2024: ₹ 5,534.69 crores). There are no advances secured against intangible assets.

vii) Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items. Further, there are no changes in accounting policies also.

viii) Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	As at March 31, 2025	As at March 31, 2024
Impairment allowance towards Stage 3 assets	16.37	(110.72)
Impairment allowance towards Stage 1 and Stage 2 assets	(0.21)	(25.45)
Impairment allowance towards other financial assets	3.84	(0.60)
Provision made towards income tax	51.48	-
Provision made towards employee benefits*	34.71	63.71
Provision for incentives to customers	144.25	48.85
Provision for contingent liabilities (taxes)	4.43	(34.85)
Others	(0.10)	1.01
Total	**254.77**	**(58.05)**

*Excluding amount of remeasurement (losses)/gains on defined benefit plans.

ix) Draw down from reserves

There has been no draw down from reserves during the financial year ended March 31, 2025 and March 31, 2024.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

x) Statement on Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2025 and March 31, 2024:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Deposits (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Advances* (March 31, 2025)	204.92	139.35	295.41	451.90	397.55	941.30	993.36	1,771.38	370.33	0.46	5,565.96
Advances* (March 31, 2024)	154.81	108.23	247.87	384.80	350.86	823.23	962.32	1,639.18	863.39	-	5,534.69
Investments (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Investments (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Borrowings** (March 31, 2025)	7.86	3.75	2.69	49.85	57.64	157.84	1,481.36	2,167.67	-	-	3,928.66
Borrowings** (March 31, 2024)	-	-	20.42	55.80	50.35	802.01	2,563.80	288.89	-	-	3,781.27
Foreign currency assets (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities (March 31, 2025)	-	-	0.26	4.84	-	-	-	-	-	-	5.10
Foreign currency liabilities (March 31, 2024)	-	-	6.87	9.03	-	-	-	-	-	-	15.90

*Without considering impact of provision and effective interest rate method of recognition

**Excluding interest accrued but not due and without adjusting unamortised origination expenses.

xi) Concentration of Deposits, Advances, Exposures and Stage 3 assets*

a. **Concentration of Advances**

Particulars	As at March 31, 2025	As at March 31, 2024
Total advances to twenty largest borrowers	1.02	1.00
Percentage of advances to twenty largest borrowers to total advances of the company	0.02%	0.02%

b. Concentration of Exposures

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/ customers	1.02	1.00
Percentage of exposures to twenty largest borrowers / customers to total exposure of the company on borrowers / customers	0.02%	0.02%

c. Concentration of Stage 3 assets

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top four Stage 3 assets	0.21	0.21

*Before adjustment of unamortised loan origination income/ cost and impairment allowance on loans.

xii) Ratings assigned by credit rating agencies during the year ended March 31, 2025

Sl. No.	Ratings	Rating Agency	Nature of securities
1	BBB+/Rating Watch with Developing Implications	INDIA RATINGS	Non Convertible Debentures
2	AA-/ Stable	CARE	Lines from Financial Institutions
3	BBB+/Rating Watch with Developing Implications	INDIA RATINGS	Lines from Financial Institutions
4	A2+/Rating Watch with Developing Implications	INDIA RATINGS	Short Term Debt

Ratings assigned by credit rating agencies during the year ended March 31, 2024

Sl. No.	Ratings	Rating Agency	Nature of securities
1	BBB+ /Positive	INDIA RATINGS	Non Convertible Debentures
2	BBB+/ Stable	CARE	Bank Lines
3	BBB+ /Positive	INDIA RATINGS	Bank Lines
4	A2+	INDIA RATINGS	Short Term Debt

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

46 Sector-wise Stage 3 assets*

Sl. No.	Sector	Percentage of Stage 3 assets to Total Advances in that sector	
		As at March 31, 2025	As at March 31, 2024
1	Agriculture and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans #	4.97%	4.64%
6	Auto loans	-	-
7	Other personal loans	-	-

* Before adjustment of unamortised income/ cost on loans.

includes cash loans and consumer durable loans

47 Movement of Stage 3 assets*

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
(i)	Net Stage 3 assets to Net Advances (%)	1.05%	0.99%
(ii)	Movement of Stage 3 assets (Gross)		
	(a) Opening balance	256.66	402.67
	(b) Additions during the year	986.68	855.09
	(c) Reductions during the year #	966.82	1,001.10
	(d) Closing balance	276.52	256.66
(iii)	Movement of net Stage 3 assets		
	(a) Opening balance	50.61	79.21
	(b) Additions during the year	276.20	221.03
	(c) Reductions during the year #	272.91	249.63
	(d) Closing balance	53.90	50.61
(iv)	Movement of provisions for Stage 3 assets		
	(a) Opening balance	206.05	323.46
	(b) Provision made during the year	710.48	634.06
	(c) Write off/write-back of excess provisions	693.91	751.47
	(d) Closing balance	222.62	206.05

* Before adjustment of unamortised loan acquisition costs and related income.

Reduction includes write-offs and recoveries.

48 Registration obtained from other financial sector regulators

The company is not registered with any other financial sector regulators.

49 Related party transactions

Refer note no 35 for related party transactions.

50 Remuneration of directors

During the year ended March 31, 2025, the company has paid sitting fees of ₹ 0.23 crores (previous year: ₹ 0.15 crores) and professional fee of ₹ 1.22 crores (previous year ₹1.24 crores) to the independent directors and non-executive directors of the company. Apart from that, there was no pecuniary relationship or transaction with independent directors and non-executive directors.

51 Revenue recognition

For revenue recognition, refer accounting policies in note no 3.

52 During the year, certain instances of fraud have been identified as below:

Fraud amounting to ₹ 0.30 crores (previous year ₹ 0.56 crores) was reported during the year, with ₹ 0.27 crores (previous year ₹ 0.56 crores) related to retail loans obtained by customers using forged documents and ₹ 0.03 crores (March 31, 2024: Nil) related to unauthorized settlement practices by an employee. Additionally, during the year ended March 31, 2024, certain instances of fraud have been reported where there is no loss to the company.

53 Unhedged foreign currency exposure

The company's exposure in respect of foreign currency denominated trade payables and payable for purchase of capital goods not hedged as at March 31, 2025 by derivative instruments or otherwise are Euro 0.53 million (₹ 4.92 crores) [previous year Euro 1.73 million (₹ 15.62 crores)] and Euro 0.02 million (₹ 0.18 crores) [previous year Euro 0.03 million (₹ 0.28 crores)] respectively. The company's exposure to all other currencies is not material.

The company does not have exposure in respect of foreign currency denominated trade receivables as at March 31, 2025 (previous year: Nil).

54 Disclosure of customer complaints

Sl. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Number of complaints pending at the beginning of the year	52	61
(b)	Number of complaints received during the year	1,666	4,635
(c)	Number of complaints redressed during the year	1,681	4,644
(d)	Number of complaints pending at the end of the year	37	52

The customer care department of the company maintains a database of all customer complaints received and addressed. The above mentioned information has been sourced from such database.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

55 Schedule to the Balance sheet of a Non- Banking Finance Company as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 in terms of Annexure viii of the Master Direction:

	Particulars	As at March 31, 2025		As at March 31, 2024	
	Liabilities side#:				
1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	(a) Debentures:				
	Secured	-	-	-	-
	Unsecured	-	-	-	-
	(Other than falling within the meaning of public deposits)				
	(b) Deferred credits	-	-	-	-
	(c) Term loan	3,304.29	-	194.39	-
	(d) External commercial borrowings	-	-	2,440.00	-
	(e) Inter corporate loans and borrowings	-	-	-	-
	(f) Commercial paper	-	-	-	-
	(g) Public Deposits	-	-	-	-
	(h) Other loans				
	- Working capital loans and bank overdraft	320.00	-	503.00	-
	- Associated liabilities in respect of securitization transactions	304.17	-	643.44	-
	Total	**3,928.46**	-	**3,780.83**	-
2	Break-up of (1)(g) above (outstanding public deposits inclusive of interest accrued thereon but not paid):				
	(a) In the form of unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-

Interest accrued but not due on borrowings amounting to ₹ 3.38 crores (March 31, 2024: ₹ 4.37 crores) has not been included as part of borrowings above. The same has been shown under other financial liabilities. Refer note no. 18

The figures are after adjusting unamortised origination expenses of ₹ 0.20 crores (previous year ₹ 0.44 crores).

	Particulars	As at March 31, 2025	As at March 31, 2024
3	**Assets side:**		
	Break-up of loans and advances including bills receivables {other than those included in (4) below}:		
	(a) Secured	0.00	0.00
	(b) Unsecured	5,565.96	5,534.69
	Total	**5,565.96**	**5,534.69**
4	Break-up of leased assets and stock on hire and other assets counting towards asset finance activities		
(i)	Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on hire including hire charges, under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed stock	-	-

	Particulars	As at March 31, 2025	As at March 31, 2024
(iii)	Other Loans counting towards asset finance activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	Total	-	-
5	**Break-up of investments**		
	Current investments:		
	1. Quoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

	Particulars	As at March 31, 2025	As at March 31, 2024
	2. Unquoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Long term investments:		
	1. Quoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Total	-	-

6	Borrower group wise classification of all assets financed as in (3) and (4) above :						
	Category	**Gross Amount As at March 31, 2025**			**Gross Amount As at March 31, 2024**		
		Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
	1. Related Parties:						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2. Other than related parties	0.00	5,565.96	5,565.96	0.00	5,534.69	5,534.69
	Total	**0.00**	**5,565.96**	**5,565.96**	**0.00**	**5,534.69**	**5,534.69**

7	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
	Category	**As at March 31, 2025**		**As at March 31, 2024**	
		Market value/ Break-up or Fair value or NAV	Book Value (Net of Provisions)	Market value/ Break-up or Fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties:				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	-	-	-	-
	Total	-	-	-	-

8	Other Information	As at March 31, 2025	As at March 31, 2024
	(i) Gross Stage 3 assets*		
	(a) Related parties	-	-
	(b) Other than related parties	276.52	256.66
	(ii) Net Stage 3 assets		
	(a) Related parties	-	-
	(b) Other than related parties	53.90	50.61
	(iii) Assets acquired in satisfaction of debts (net of provisions)	-	-

* Before adjustment of unamortised loan acquisition costs and related income.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

56 Disclosures relating to securitisation

56.1 Details of securitization transaction entered

Sr. No.	Particulars	Number/ Amount as at March 31, 2025	Number/ Amount as at March 31, 2024
1	No of SPVs sponsored by the applicable NBFC for securitisation transactions*	7.00	8.00
2	Total amount of securitised assets as per books of the SPVs sponsored	584.76	810.39
3	Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet (First loss and Minimum retention requirement)	136.22	150.22
	a) Off-balance sheet exposures		
	First loss		
	Others		
	b) On-balance sheet exposures		
	First loss	94.49	101.51
	Others (Minimum retention requirement)	41.73	48.71
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	327.83	930.90
	Gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.**	1.95	1.12
	** The company has assumed Role of Servicer for all outstanding securitisation transactions. Servicing fee received during the financial year is disclosed.		
7	Performance of facility provided		
	Credit enhancement		
	(a) Amount paid	18.93	141.23
	(b) Repayment received	32.93	41.28
	(c) Outstanding amount	136.22	150.22
8	Average default rate of portfolio observed in the past		
	a) Unsecured personal loans#	4.97%	4.64%
	#% of NPA to total advances to that assets class		
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Only the SPVs relating to outstanding securitisation transactions are reported

The securitised loans disclosed in the above notes do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

56.2 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

56.3 Details of assignment transaction undertaken

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

56.4 Details of Stage 3 assets purchased

The company has not purchased or sold any Stage 3 financial assets during the year ended March 31, 2025 (previous year: Nil)

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

57 Disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI vide notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020

During the year ended March 31, 2021, the company has restructured loan accounts vide Reserve Bank of India circulars on Resolution framework for COVID-19 related stress and restructuring of advances dated August 6, 2020. The company has considered these accounts as 'restructured' in accordance with Ind-AS 109, and basis such significant increase in credit risk has recognized incremental provision on such restructured accounts in accordance with its Expected Credit Loss Policy.

Disclosure as per prescribed format for the year ended 31 March 2025

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2024 (A)	Of (A), aggregate debt that slipped into NPA during the year ended 31 March 2025	Of (A) amount written off during the year ended 31 March 2025	Of (A) amount paid by the borrowers during the year ended 31 March 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2025
Personal loans	0.77	0.02	0.15	0.44	0.16
Corporate Loans*	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	0.77	0.02	0.15	0.44	0.16

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

As per above guidelines, total restructuring of advance as on March 31, 2025 is ₹ 0.19 crores (March 31, 2024: ₹ 0.87 crores) and provision there on March 31, 2025 is ₹ 0.03 crores (March 31, 2024: ₹ 0.33 crores)

58 (a) Disclosure pursuant to RBI notification no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May, 2021

Description	Individual Borrowers		Small Business
	Personal Loans	Other Loans	
(A) Number of requests received for invoking resolution process under Part A	49,883	294	-
(B) Number of accounts where resolution plan has been implemented under this window	49,883	294	-
(C) Exposure to accounts mentioned at (B) before implementation of plan (As on 30.09.2021)	386.35	0.72	-
(D) of (C), aggregate amount of Debt that was converted into other securities	-	-	-
(E) Additional funding sanction if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provision on account of the implementation of the resolution plan	34.86	-	-

Exposure to accounts as on 31st March 2025 where resolution plan has been implemented under above notification is ₹ 0.22 crores (March 31, 2024: ₹ 1.38 crores) & provision is ₹ 0.22 crores (March 31, 2024: ₹ 1.33 crores)

(b) Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions,2021 in terms of RBI circular RBI/DOR/2021-22 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

S. No		During the year ended March 31, 2025
1	Details of loans not in default that are transferred or acquired	Nil
2	Details of stressed loans transferred or acquired	Nil

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

59 Schedule as per direction received from RBI vide circular number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

As at March 31, 2025							
S.no	**Asset Classification as per RBI Norms**	**Asset classification as per Ind AS 109**	**Gross Carrying Amount as per Ind AS***	**Loss Allowances (Provisions) as required under Ind AS 109**	**Net Carrying Amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
	(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7) = (4)-(6)**
1	Performing Assets						
	Standard	Stage 1	5,089.58	97.87	4,991.71	20.36	77.51
		Stage 2	199.86	83.74	116.12	0.80	82.94
	Sub-total		**5,289.44**	**181.61**	**5,107.83**	**21.16**	**160.45**
2	Non-Performing Assets (NPA)						
	Substandard	Stage 3	276.52	222.62	53.90	27.65	194.97
	Doubtful - up to 1 year	Stage 3	-	-	-	-	-
	1 to 3 years	Stage 3	-	-	-	-	-
	More than 3 years	Stage 3	-	-	-	-	-
	Sub-total for doubtful		-	-	-	-	-
	Loss	Stage 3	-	-	-	-	-
	Sub-total for NPA		**276.52**	**222.62**	**53.90**	**27.65**	**194.97**
3	Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	9.74	15.88	(6.14)	-	15.88
		Stage 2	-	-	-	-	-
		Stage 3	-	-	-	-	-
	Sub-total		**9.74**	**15.88**	**(6.14)**	**-**	**15.88**
	Total	**Stage 1****	5,099.32	113.75	4,985.57	20.36	93.39
		Stage 2	199.86	83.74	116.12	0.80	82.94
		Stage 3	276.52	222.62	53.90	27.65	194.97
		Total	**5,575.70**	**420.11**	**5,155.59**	**48.81**	**371.30**

Note 1: The company has not extended asset classification benefit as per IRAC norms, hence no additional provision is required to be created by the company. Further, the company is carrying provision more than 5% as at March 31, 2025 on the loans.

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 133.49 crores.

**Including undrawn commitment of ₹ 9.74 crores in gross carrying amount and ₹15.88 crores as provision against undrawn commitment and uncommitted credit limit, in loss allowance.

Amount of ₹ 15.88 crores includes ₹ 15.78 crores pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

As at March 31, 2024							
S.no	**Asset Classification as per RBI Norms**	**Asset classification as per Ind AS 109**	**Gross Carrying Amount as per Ind AS***	**Loss Allowances (Provisions) as required under Ind AS 109**	**Net Carrying Amount**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
	(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7) = (4)-(6)**
1	Performing Assets						
	Standard	Stage 1	5,077.94	112.20	4,965.74	20.31	91.89
		Stage 2	200.09	73.01	127.08	0.80	72.21
	Sub-total		**5,278.03**	**185.21**	**5,092.82**	**21.11**	**164.10**
2	Non-Performing Assets (NPA)						
	Substandard	Stage 3	256.66	206.05	50.61	25.67	180.38
	Doubtful - up to 1 year	Stage 3	-	-	-	-	-
	1 to 3 years	Stage 3	-	-	-	-	-
	More than 3 years	Stage 3	-	-	-	-	-
	Sub-total for doubtful		-	-	-	-	-
	Loss	Stage 3	-	-	-	-	-
	Sub-total for NPA		**256.66**	**206.05**	**50.61**	**25.67**	**180.38**
3	Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	25.57	12.48	13.09	-	12.48
		Stage 2	-	-	-	-	-
		Stage 3	-	-	-	-	-
	Sub-total		**25.57**	**12.48**	**13.09**	**-**	**12.48**
	Total	**Stage 1****	5,103.51	124.68	4,978.83	20.31	104.37
		Stage 2	200.09	73.01	127.08	0.80	72.21
		Stage 3	256.66	206.05	50.61	25.67	180.38
		Total	**5,560.26**	**403.74**	**5,156.52**	**46.78**	**356.96**

Note 1: The company has not extended asset classification benefit as per IRAC norms, hence no additional provision is required to be created by the company. Further, the company is carrying provision more than 5% as at March 31, 2024 on the loans.

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2024: ₹ 135.44 crores.

**Including undrawn commitment of ₹ 25.57 crores in gross carrying amount and ₹12.48 crores as provision against undrawn commitment and uncommitted credit limit, in loss allowance.

Amount of ₹ 12.48 crores includes ₹ 12.22 crores pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

60. Disclosure on liquidity coverage ratio as per direction received from RBI vide circular number RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

A) Public disclosure on liquidity risk

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at March 31, 2025

Sr. No.	Type of Instruments	Number of significant counterparties	Amount*	% of Total Deposit	% of total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	8	3,832.58		87.40%

As at March 31, 2024

Sr. No.	Type of Instruments	Number of significant counterparties	Amount*	% of Total Deposit	% of total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	8	3,668.57	-	86.55%

ii) Top 20 large deposits

No depositors as the company is a non-deposit taking NBFC.

iii) Top 10 borrowings

As at March 31, 2025

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,899.44	99.26%

As at March 31, 2024

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,747.86	99.13%

iv) Funding Concentration based on significant Instrument/Product:

Sr. No.	Name of the Instrument/Product	As at March 31, 2025		As at March 31, 2024	
		Amount	% of total Liabilities	Amount	% of total Liabilities
1	External Commercial Borrowings	-	-	2,440.00	57.56%
2	Bank Borrowings**	3,473.27	79.20%	548.67	12.94%
3	Non Convertible Debentures (NCDs)	-	-	-	-
4	Securitization	304.17	6.94%	643.44	15.18%
5	Term Loans	151.02	3.44%	148.72	3.51%
	Total	**3,928.46**	**89.58%**	**3,780.83**	**89.19%**

v) Stock Ratios

As at March 31, 2025

Sr. No.	Name of the instrument/product	Amount*	% of total public funds	% of total Liabilities	% of total assets
1	NCDs (original maturity less than one year)	-	-	-	-
2	Commercial papers	-	-	-	-
3	Other short-term liabilities	451.67	-	10.30%	7.56%

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

As at March 31, 2024

Sr. No.	Name of the instrument/product	Amount*	% of total public funds	% of total Liabilities	% of total assets
1	NCDs (original maturity less than one year)	-	-	-	-
2	Commercial papers	-	-	-	-
3	Other short-term liabilities	594.92	-	14.03%	9.44%

* All these amounts are gross amounts without the impact of EIR

** Bank borrowings consists of WCDL and Term Loans

vi) Institutional set-up for Liquidity Risk Management:

The company has in place organizational set up as directed in RBI policy to decide the strategy, policies and procedures of the company to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The set up includes the following bodies:

a. Board of Directors shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits as may be decided.

b. Integrated Risk Management Committee (IRMC) shall evaluate the overall risks faced by the company including liquidity risk.

c. Assets Liability and Management Committee (ALCO) shall ensure adherence to the risk tolerance/limits as set by the Board as well as implement the liquidity risk management strategy of the company.

d. Assets Liability Management (ALM) Support Group shall analyze, monitor and report the liquidity risk profile to the ALCO.

e. The company also has a Liquidity Contingency Framework in place which serves as a blueprint for meeting the funding requirement at a reasonable cost during the liquidity crisis. The Liquidity Contingency Plan (LCP) defines the internal communication flow during any liquidity triggers and the activation and closure of LCP.

Definition of terms as used in the table above:

a) Significant counterparty

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities

b) Significant instrument/product

A "significant instrument/product" is defined as a single instrument/product or group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total Liabilities

Total Liabilities include all external liabilities (other than equity)

d) Other short-term liabilities

All short term borrowings other than commercial papers and NCDs with original maturity of less than 12 months.

e) Public funds

The company is a non-deposit taking systemically important NBFC, therefore only information related to borrowings have been disclosed above and no information related to deposits is available.

Disclosure on liquidity coverage ratio as per direction received from RBI vide circular number RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

B) As per the RBI guidelines DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 and Master Directions for NBFCs vide RBI/DNBR/2016-17/45 dated February 17, 2020, the LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹ 5,000 crore and above but less than ₹ 10,000 crore shall also maintain the required level of LCR starting December 1, 2020, as per the time-line given below:

From	December 01, 2022	December 01, 2023	December 01, 2024
Minimum LCR	60%	85%	100%

(i) Main LCR drivers and evolution of the contribution of inputs in LCR calculation over time

The numerator of LCR is driven by the quantum and composition of High Quality Liquid Assets (HQLA). The denominator of LCR is driven by various components of the stressed cash flows.

(a) Composition of HQLA

HQLAs comprise of Cash and cash equivalents*, excluding any fixed deposit.

* Cash and cash equivalent would mean cash in hand and balances with scheduled commercial banks.

(b) Unsecured and secured wholesale funding

Borrowing maturities falling due in the next 30 days form a major component of cash outflows. WCDL form the major portion of unsecured funding. ECBs, term loans and associated liabilities in respect of securitization transactions form the majority of secured wholesale funding maturities.

(c) Outflows related to derivative exposures and other collateral requirements

During the reporting period, the company did not have any derivative exposure.

(d) Other contractual funding obligations

Other contractual funding obligations are taken from other financial liabilities that includes payable for securitization borrowing, loan pending disbursments, Trade Payable; and Other non-financial liabilities that includes statutory dues payable shown in the Balance Sheet which are expected to be paid in the next 30 days.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

(e) Currently undrawn Credit and Liquid facilities

Undrawn committed credit lines loans form a part of currently undrawn credit and liquid facilities

(f) Secured lending

There is no secured lending transaction backed by HQLA during the reporting period and margin lending backed by all other collateral is included in the fully performing exposures.

(g) Inflows from fully performing exposures

Principal inflows from advances with no overdues are taken.

(h) Other inflows

For the LCR calculation, under other inflows, the major components are trade receivables, balance with tax authorities which includes tax input credit and receivables from collection agencies and channel partners maturing in next 30 days.

(ii) Intra period changes and changes over time

The company endeavors to maintain a healthy level of LCR at all points of time. The LCR table shows the movement of changes in each component over the reporting period. The average LCR moved from 151.50% for the quarter ended March 31, 2024 to 232.41% for the quarter ended March 31, 2025.

(iii) Concentration of funding sources

The Liquidity Risk Management framework of the company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee of the Board (ALCO) oversee the implementation of liquidity risk management strategy of the company and ensure adherence to the risk tolerance/limits set by the Board. The company maintains a robust funding profile, which is periodically monitored and reviewed by ALCO.

The company has a diversified funding profile in the form of Bank term loans, associated liabilities in respect of securitization transactions which are long-term in nature. Also, the company has availed Working Capital Demand loan (WCDL) from various Banks. The company is a non-deposit taking NBFC and hence, reporting nil deposits. The company has a wide array of investors / bankers who have funded the company through various funding instruments.

(iv) Derivative exposures and collateral calls

The company did not indulge in derivative trading activities and hence was not exposed to derivative and collateral call risk during the reporting period.

(v) Currency mismatches

The company was not exposed to any major currency risk during the reporting period.

Liquidity Coverage Ratio

Sr. No	Particulars	Factor Multiplier (%)	As at June 30, 2024		As at September 30, 2024		As at December 31, 2024		As at March 31, 2025	
			Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	100%	193.71	193.71	214.38	214.38	199.27	199.27	325.84	325.84
	CASH OUTFLOWS									
2	Deposits (for deposit taking companies)	115%	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	115%	27.80	31.97	114.08	131.19	90.82	104.44	147.92	170.11
4	Secured wholesale funding	115%	140.77	161.89	81.56	93.79	90.68	104.28	73.86	84.93
5	Additional requirements, of which									
(i)	Outflows related to derivative exposures and other collateral requirements	115%	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	115%	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	115%	-	-	-	-	-	-	-	-
(iv)	Currently undrawn credit and liquid facilities	115%	68.91	79.24	59.54	68.47	60.93	70.06	56.00	64.40
6	Other contractual funding obligations	115%	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	115%	142.12	163.44	141.58	162.82	156.77	180.29	209.89	241.37
8	**TOTAL CASH OUTFLOWS (A)**		**379.60**	**436.54**	**396.76**	**456.27**	**399.20**	**459.07**	**487.67**	**560.81**
	CASH INFLOWS									
9	Secured lending	75%	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	75%	464.32	348.24	498.20	373.65	535.01	401.25	530.98	398.23
11	Other cash inflows	75%	41.42	31.06	79.81	59.86	88.13	66.10	61.12	45.84
12	**TOTAL CASH INFLOWS (B)**		**505.74**	**379.30**	**578.01**	**433.51**	**623.14**	**467.35**	**592.10**	**444.07**
13	**TOTAL HQLA (C)**			193.71		214.38		199.27		325.84
14	**TOTAL NET CASH OUTFLOWS (D) (refer note 3 below)**			109.13		114.07		114.77		140.20
15	**LIQUIDITY COVERAGE RATIO (%) (C/D)**			177.50%		187.94%		173.63%		232.41%

Notes:

1 The components of LCR is arrived at by taking a stock approach whereby from the month end outstanding of each component (as financial records), the portion expected to be paid in the next 30 days is considered.

2 Interest accrued but not due to be paid for the subsequent month is considered.

3 Total net cash outflows = Weighted value of total cash outflows - Minimum of (weighted value of total cash inflows, 75% of weighted value of total cash outflows)

4 The average weighted and unweighted amounts are calculated taking simple average based on daily observation for each quarter.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

61 Expenditure on Corporate Social Responsibility

Pursuant to section 135 of the Companies Act, 2013, CSR is applicable on the company and is required to incur expenditure on CSR activities. During the previous year, the company was not required to incur expenditure on CSR activities due to non availability of adequate profits in preceeding three years.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Gross amount required to be spent by the company during the year	1.52	-
(b) Amount approved by the Board to be spent during the year	1.52	-
(c) Amount spent during the year on		
- Construction/acquisition of any asset	-	-
- On purposes other than (i) above		
- In cash	1.52	-
- Yet to be paid in cash	-	-
Total	**1.52**	**-**
(d) Excess/ (Shortfall) during the year	0.00	-
(e) Total of previous years excess/ (shortfall)	-	-
(f) Reason for shortfall	N.A.	N.A.
(g) 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	-	-

(h) The company has made a contribution to Srinivasan Services Trust for an amount of ₹ 1.52 Crores towards CSR expenditure during the financial year ended March 31, 2025 (March 31, 2024: ₹ Nil)

62 Leases

The company has entered into leasing arrangements for premises, computers and vehicles. Majority of the leases are cancellable by the company.

I Lease disclosures under Ind-AS 116 for the year ended March 31, 2025

i) Amounts recognised in Balance Sheet

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	**Right-of-use assets (net)**		
	(i) Leasehold Buildings	30.25	23.47
	(ii) Computers	-	-
	(iii) Vehicles	1.80	0.92
	Total Right-of-use assets (net)	**32.05**	**24.39**
b)	**Lease Liabilities**		
	(i) Current	12.42	14.06
	(ii) Non Current	19.87	10.30
	Total lease liabilities	**32.29**	**24.36**

		For the year ended March 31, 2025	For the year ended March 31, 2025
c)	**Additions to right-of-use assets**		
	(i) Leasehold Buildings	25.72	1.09
	(ii) Computers	-	0.15
	(iii) Vehicles	1.86	0.39
	Total	**27.58**	**1.63**

ii) Amounts recognised in Statement of profit and loss

S.No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Depreciation charge for right-of-use assets		
	(i) Leasehold Buildings	18.86	17.48
	(ii) Computers	-	0.79
	(iii) Vehicles	0.98	0.86
	Total Depreciation charge for right-of-use assets	**19.84**	**19.13**
b)	Interest expense (included in finance cost)	3.76	4.17
c)	Expense related to short term leases	1.58	1.23

iii) Cash Flows

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Total cash outflow of leases	21.69	21.26

iv) Maturity analysis of undiscounted lease liability

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	Not later than 1 year	14.47	16.17
b)	Later than 1 year and not later than five years	21.84	12.20
c)	Later than 5 years	-	-

63 Reclassification of comparative information

The company has made following reclassifications in the comparative information of the Statement of Cash Flows, for better presentation of the nature of such items as detailed below:

Particulars	Amount	Nature of Reclassifications
(i) Cash flow from operating activities	(43.40)	Principal amount payable for securitisation (classified as other financial liabilities in the financial statement) was inadvertently treated as repayment of borrowings in the Cash Flow Statemet for the year ended March 31, 2024. Since the same is not repayment of borrowings, hence the comparative figure has been reclassified for better presentation of cash flow statement.
(ii) Cash flow from financing activities	43.40	

Note: There is no impact of above reclassification on the opening retained earnings as at April 01, 2024 and as at April 01, 2023 in the financial statements.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

64 (A) Disclosure of Restructured Accounts other than the disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI vide notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 and disclosure pursuant to RBI notification no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May, 2021.

S. No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
	Asset Classification Details		A	B	C	D	Total	A	B	C	D	Total	A	B	C	D	Total
			#	#	#	#		#	#	#	#		#	#	#	#	
1	Restructured accounts as on April 1, 2024	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3,785	187	-	-	3,972
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	2.02	0.35	-	-	2.37
		Provision thereon	-	-	-	-	-	-	-	-	-	-	1.44	0.34	-	-	1.78
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1	(1)	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.00	(0.00)	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.00	(0.00)	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(12)	12	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.03)	0.03	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.03)	0.03	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(47)	(38)	-	-	(85)
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.15)	(0.17)	-	-	(0.32)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Adjustment for Payments	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(3,610)	(141)	-	-	(3,751)
		Amount outstanding											(1.67)	(0.17)			(1.84)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(1.28)	(0.33)	-	-	(1.61)
8	Restructured Accounts as on March 31, 2025	No. of borrowers	-	-	-	-	-	-	-	-	-	-	117	19	-	-	136
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.17	0.04	-	-	0.21
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.13	0.04	-	-	0.17

A: Standard assets B: Sub-standard assets C: Doubtful assets D: Loss assets

S. No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
	Asset Classification Details		A	B	C	D	Total	A	B	C	D	Total	A	B	C	D	Total
			#	#	#	#		#	#	#	#		#	#	#	#	
1	Restructured accounts as on April 1, 2023	No. of borrowers	-	-	-	-	-	-	-	-	-	-	*3,937*	*488*	-	-	*4,425*
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	*7.95*	*2.25*	-	-	*10.20*
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*4.74*	*1.90*	-	-	*6.64*
2	Fresh restructuring during the year	No. of borrowers				-	-	-	-	-	-	-	2	-	-	-	*2*
		Amount outstanding				-	-	-	-	-	-	-	0.01	-	-	-	*0.01*
		Provision thereon				-	-	-	-	-	-	-	0.01	-	-	-	*0.01*
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	*105*	*(105)*	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	*0.21*	*(0.21)*	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*0.17*	*(0.17)*	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	*(82)*	*82*	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	*(0.47)*	*0.47*	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*(0.29)*	*0.29*	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	*(177)*	*(278)*	-	-	*(455)*
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	*(1.11)*	*(1.95)*	-	-	*(3.06)*
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*(0.70)*	*(1.64)*	-	-	*(2.34)*
7	Adjustment for Payments	Amount outstanding	-	-	-	-	-	-	-	-	-	-	*(4.57)*	*(0.21)*	-	-	*(4.78)*
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*(2.49)*	*(0.04)*	-	-	*(2.53)*
8	Restructured Accounts as on March 31, 2024	No. of borrowers	-	-	-	-	-	-	-	-	-	-	*3,785*	*187*	-	-	*3,972*
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	*2.02*	*0.35*	-	-	*2.37*
		Provision thereon	-	-	-	-	-	-	-	-	-	-	*1.44*	*0.34*	-	-	*1.78*

A: Standard assets B: Sub-standard assets C: Doubtful assets D: Loss assets

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

64 (B) Disclosure of details as required by RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23-Disclosures in financial statements- Notes to accounts of NBFCs dated April 19, 2022

Section I

A) Exposure

1. The company does not have any exposure to real estate sector as at March 31, 2025 and March 31, 2024.
2. The company does not have any exposure to capital market as at March 31, 2025 and March 31, 2024.
3. Sectoral Exposure

Sectors	March 31, 2025			March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Crores)	Gross NPAs (₹ Crores)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Crores)	Gross NPAs (₹ Crores)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i…Two wheeler loans	0.00	-	-	0.00	-	-
ii…Consumer durable loans	1,567.32	60.00	3.83%	1,175.70	46.32	3.94%
*iii…Cash loans**	4,008.38	216.52	5.40%	4,384.56	210.34	4.80%
Total of Personal Loans (i+ii+iii)	**5,575.70**	**276.52**	4.96%	**5,560.26**	**256.66**	**4.62%**
5. Others	-	-	-	-	-	-

* Includes off balance sheet exposure of ₹ 9.74 crores (March 31, 2024 ₹ 25.57 crores) where the contracts have been signed with the customers but the amount has not been disbursed as on balance sheet date.

4. The company does not have any inter-group exposures as at March 31, 2025 and March 31, 2024.
5. For unhedged foreign currency exposure refer note 53

B) For related party disclosure refer note 35

C) Disclosure of complaints

a) Summary information on complaints received by the company from customers and from the offices of Ombudsman

S.no	Particular	March 31, 2025	March 31, 2024
	Complaints received by the company from its customers		
1	Number of complaints pending at beginning of the year	52	61
2	Number of complaints received during the year	1666	4635
3	Number of complaints disposed during the year	1681	4644
3.1	Out of s.no 3 , number of complaints rejected by the NBFC	701	2479
4	Number of complaints pending at the end of the year	37	52
	Maintainable complaints received by the company from Office of Ombudsman		
5	Number of maintainable complaints received by the company from Office of Ombudsman	711	842
5.1	Of 5, number of complaints resolved in favour of the company by Office of Ombudsman	693	827
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	18	15
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

b) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Difficulty in operation of accounts	37	900	-67.40%	12	1
Non-observance of fair practices code	6	140	-5.41%	7	1
Recovery Agents	5	177	-7.81%	9	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	123	-40.29%	-	-
Staff behaviour	1	4	-20.00%	-	-
Miss-selling	-	181	-66.67%	2	-
Others	3	141	-81.92%	7	-
Total	**52**	**1666**	**-64.06%**	**37**	**2**
Year ended March 31, 2024					
Difficulty in operation of accounts	9	2761	-12%	37	11
Non-observance of fair practices code	21	148	-88%	6	4
Recovery Agents	1	192	-33%	5	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	1	206	-43%	-	-
Staff behaviour	-	5	0%	1	-
Miss-selling	-	543	596%	-	-
Others	29	780	-14%	3	-
Total	**61**	**4635**	**-22.30%**	**52**	**15**

Section II

1. Corporate Governance

a. Composition of the Board and details of meeting held:

S. No	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings		No. of Directorships in other Companies	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation#	Sitting Fee	Commission/ Professional fees	
1	Ondrej Kubik*	August 28, 2018	Whole Time Director/ Executive Director	08194580	10	8	Nil		N.A	N.A	Nil
2	Esha Pruthi*	November 24, 2023	Whole Time Director/ Executive Director	10392980	10	8	Nil		N.A	N.A	Nil
3	Jean Pascal Pierre A. Duvieusart*	May 25, 2023	Non-Executive Director	10167605	10	6	2		N.A	N.A	Nil
4	Rakesh Kapoor*	January 16, 2020	Independent Director	00015358	10	9	Nil		0.08	N.A	Nil
5	Jean Lafontaine*	May 22, 2020	Non-Executive Director	08740353	10	6	Nil		N.A	N.A	Nil
6	Sarpreet Singh Benipal*	April 20, 2021	Non-Executive Director	08430748	10	8	1		N.A	1.22	Nil
7	Anirban Majumder*	May 22, 2020	Whole Time Director/ Executive Director	08741217	10	9	Nil		N.A	N.A	Nil
8	Jagdish Prasad*	February 11, 2022	Independent Director	01653669	10	9	Nil		0.11	N.A	Nil
9	Pavel Rozehnal*	August 30, 2013	Non-Executive Director	06683247	10	4	12		N.A	N.A	Nil
10	K Gopala Desikan	February 3, 2025	Non-Executive Director	00067107	10	-	21		N.A	N.A	Nil
11	Balasubramanyam Sriram	February 3, 2025	Independent Director	02993708	10	2	8		0.01	N.A	Nil
12	Dr. Deepali Pant Joshi	February 3, 2025	Independent Director	07139051	10	2	9		0.01	N.A	Nil
13	Kunnawalkam Elayavalli Ranganathan	February 3, 2025	Independent Director	00058990	10	2	6		0.02	N.A	Nil

Salary and other compensation to Whole Time Directors ₹ 45.97 crores

*Resigned with effect from February 03, 2025 and accordingly the no. of directorships in other companies have been disclosed for the stated date.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

Details of change in composition of the Board during the current and previous financial year:

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
For the year ended March 31, 2025				
1	Ondrej Kubik	Whole Time Director/ Executive Director	Re-appointment subject to approval of shareholders.	August 27, 2024
2	Esha Pruthi	Whole Time Director/ Executive Director	Appointment regularization by Shareholders	September 09, 2024
3	Ondrej Kubik	Whole Time Director/ Executive Director	Re-appointment regularization by Shareholders	September 09, 2024
4	K Gopala Desikan*	Additional Non - Executive Director	Appointment subject to approval of shareholders	February 03, 2025
5	Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
6	Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
7	Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
8	K Gopala Desikan*	Non-Executive Director	Appointment regularization by shareholders.	February 03, 2025
9	Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
10	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
11	Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
12	Ondrej Kubik*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
13	Anirban Majumder*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
14	Esha Pruthi*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
15	Rakesh Kapoor*	Independent Director	Resignation	February 03, 2025
16	Jagdish Prasad*	Independent Director	Resignation	February 03, 2025
17	Jean Lafontaine*	Non-Executive Director	Resignation	February 03, 2025
18	Jean Pascal Pierre A. Duvieusart*	Non-Executive Director	Resignation	February 03, 2025
19	Pavel Rozehnal*	Non-Executive Director	Resignation	February 03, 2025
20	Sarpreet Singh Benipal*	Non-Executive Director	Resignation	February 03, 2025

* Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024.

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024, Mr. Rakesh Kapoor and Mr. Jagdish Prasad, Independent Directors of the company have resigned from the directorship w.e.f. February 03, 2025

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
For the year ended March 31, 2024				
1	Sarpreet Singh Benipal	Non-Executive Director	Re-appointment as Non-Executive Director by Board subject to shareholders approval	April 20, 2023
2	Anirban Majumder	Whole Time Director/ Executive Director	Re-appointment as Whole-time Director by Board subject to shareholders approval	May 22, 2023
3	Jean Pascal Pierre A. Duvieusart	Non-Executive Director	Appointment as Additional Non-Executive Director by Board subject to shareholders approval	May 25, 2023
4	Sarpreet Singh Benipal	Non-Executive Director	Re-appointment approval by shareholders in AGM	September 29, 2023
5	Anirban Majumder	Whole Time Director/ Executive Director	Re-appointment approval by shareholders in AGM	September 29, 2023
6	Jean Pascal Pierre A. Duvieusart	Non-Executive Director	Appointment Regularization by shareholders in AGM	September 29, 2023
7	Vijay Dhingra	Whole Time Director/ Executive Director	Resignation	October 13, 2023
8	Esha Pruthi	Whole Time Director/ Executive Director	Appointment as Whole- Time Director by Board subject to shareholders approval	November 24, 2023

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

b. Committees of the Board and their composition

(i) Audit Committee:

Composition of the Audit Committee and details of meeting held for the year ended March 31, 2025:

No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Ondrej Kubik*	October 16, 2018	Whole-time Director/ Executive Director	6	5	Nil
2	Mr. Pavel Rozehnal #	November 12, 2021	Non- Executive Director	6	-	Nil
3	Mr. Jean Lafontaine*	November 12, 2021	Non- Executive Director	6	5	Nil
4	Mr. Rakesh Kapoor*	March 06, 2020	Independent Director	6	5	Nil
5	Mr. Jagdish Prasad*	February 11, 2022	Independent Director	6	5	Nil
6	Mr. Jean Pascal Duvieusart*	September 26, 2024	Non- Executive Director	6	2	Nil
7	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	6	1	Nil
8	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	6	-	Nil
9	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	6	1	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from September 26, 2024.

(ii) Nomination and Remuneration Committee

Composition of the Nomination and Remuneration Committee and details of meeting held for the year ended March 31, 2025:

S. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Jean Lafontaine*	June 25, 2020	Non- Executive Director	2	2	Nil
2	Mr. Pavel Rozehnal#	June 25, 2020	Non- Executive Director	2	-	Nil
3	Mr. Rakesh Kapoor*	February 16, 2020	Independent Director	2	2	Nil
4	Mr. Jagdish Prasad*	September 20, 2022	Independent Director	2	2	Nil
5	Mr. Jean Pascal Duvieusart*	September 26, 2024	Non- Executive Director	2	-	Nil
6	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	2	-	Nil
7	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	2	-	Nil
8	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	2	-	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from September 26, 2024.

c. General Body Meetings

S. No.	Type of Meeting (Annual/ Extraordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	September 09, 2024 Registered Office (Delhi, India)	1. To approve issuance of non – convertible debentures on private placement basis
2	Extraordinary General Meeting	February 03, 2025 Audio Visual Mode	1. To consider and approve creation of security interest under section 180(1)(a) of the Companies Act, 2013 2. To consider and approve the borrowing limit of the Company as per Section 180(1)(c) of the Companies Act, 2013.
3	Extraordinary General Meeting	March 27, 2025 Registered Office (Delhi, India)	1. To consider and approve adoption of restated Articles of Association. 2. To issue Equity Shares on Private Placement / Preferential Basis

2 For exceptional items, refer note 30.

3 There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2025 and March 31, 2024.

4 The RBI has neither assessed any additional provisioning requirements in excess of 5% of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2023, latest assessed period, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

Notes forming part of the financial statements for the year ended March 31, 2025

(All amounts are in ₹ crores, except share data and unless otherwise stated)

65 Disclosure pursuant to RBI notification DNBS.CO.PD.no.356/03.10.01/2013-14 dated September 16, 2013 pertaining to gold loans.

No gold loans have been given during the year ended March 31, 2025 and March 31, 2024.

66 Disclosure of penalties imposed by RBI and other regulators

No penalty has been imposed by any regulator during the year ended March 31, 2025 (previous year: Nil).

67 Details of overseas assets

There are no overseas assets of the company.

68 Off- balance sheet SPVs sponsored

There are no off-balance sheet SPVs sponsored by the company.

For and on behalf of the Board of Directors of
Home Credit India Finance Private Limited

K Gopala Desikan
Director
DIN: 00067107

Deepali Pant Joshi
Director
DIN: 07139051

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Directors' Report to the Shareholders

The directors present the Fifteenth Annual Report and the Audited Financial Statements for the year ended 31st March 2025.

Financial Highlights

(Rs. In Lakhs)

Details	Year ended 31.03.2025	Year ended 31.03.2024
Sales and other income	2,784.71	385.15
Less: Expenses	2,717.56	348.41
Profit before tax	67.15	36.74
Provision for taxation (including deferred tax)	16.90	9.55
Profit after tax	50.25	27.19

TRANSFER TO RESERVES

During the year, the Company has not transferred any amounts to General Reserve or any other specific reserve.

CHANGE IN SHAREHOLDING STRUCTURE

During the year, TVS Holdings Limited strategically expanded its corporate portfolio through the acquisition of TVS Digital Limited. This was executed via a share purchase agreement, wherein TVS Holdings Limited acquired the entire shareholding of TVS Digital Limited from TVS Motor Company Limited.

As a result of this transaction, effective 16th September 2024, TVS Digital Limited transitioned from being a wholly-owned subsidiary of TVS Motor Company Limited to becoming a wholly-owned subsidiary of TVS Holdings Limited.

CHANGE IN REGISTERED OFFICE OF THE COMPANY

Pursuant to the approval of the Board of Directors at their meeting held on 17th February 2025, the registered office of the Company got changed from "Ispahani Centre, 4th Floor, Door No. 123, 124, Nungambakkam High Road, Chennai - 600034" to "Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600006".

DIVIDEND

The Directors had not declared any dividend for the year under review.

SHARE CAPITAL

The Company's Paid-up equity share Capital as on 31st March 2025 was Rs. 305 Lakhs.

PERFORMANCE OVERVIEW

TVS Digital Limited is carrying on the business activities relating to Digital Information Technology and other related services.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations, to the extent required and commensurate with its size and activities.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

RISK MANAGEMENT

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the Board of directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby stated that:

(a) in the preparation of the annual accounts for the year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(e) the directors had prepared the accounts for the financial year ended 31st March 2025 on a 'going concern basis'; and

(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.

DIRECTORS

During the year, there was no change in the composition of Board of Directors.

As on 31st March 2025, the following are the directors of the Company:

1. Mr S G Murali, Non- Executive Director
2. Mr Sriram Subramanian Iyer, Non- Executive Director; and
3. Mr V R Karunakar Reddy, Non- Executive Director

Directors liable to retire by rotation

In terms of the Articles of Association of the Company and in compliance with the provisions of sub-section (6) read with explanation to Section 152 of the Act, 2013, all the Directors are liable to retire by rotation at every Annual General Meeting (AGM), being eligible, offer themselves for re-appointment.

Accordingly, all the directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

The Directors have recommended the above for the approval of shareholders.

BOARD MEETINGS

During the year under review, the board met 6 times on 29th April 2024, 23rd July 2024, 16th September 2024, 15th October 2024, 21st January 2025 and 17th February 2025 and the gap between two meetings did not exceed one hundred and twenty days.

GENERAL MEETING

During the last three years, namely 2022-23 to 2024-25, no special resolution was passed by obtaining the approval of the shareholders except for the three special resolutions passed at the Extra-Ordinary General Meeting held on 4th December 2023 and 13th February 2024 for change in Object Clause of the Memorandum of Association of the Company and Change in the name of the Company, consequent alteration in Memorandum of Association and Articles of Association of the Company and increase in Authorised Share Capital of the Company respectively.

Statutory AUDITORS

The Company at its fourteenth Annual General Meeting held on 23rd July 2024, in terms of Section 139 of the Act, 2013, read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s V Sankar Aiyar & Co., Chartered Accountants, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, had been re-appointed as statutory auditors of the Company for five years at such remuneration in addition to reimbursement of all applicable taxes, out-of-pocket, travelling and other expenses, etc., as may be decided between the Board of Directors of the Company.

The Company has obtained necessary certificate under Section 141 of the Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, conveying their eligibility for continuing as a statutory auditor of the Company for a the financial year 2025-26.

The Auditors' Report for the financial year 2024-2025 does not contain any qualification, reservation or adverse remark and the same is attached as part of the annual financial statements.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the Company, which occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY.

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company.

DETAILS OF MATERIAL RELATED PARTY TRANSACTIONS:

Details of material related party transactions under Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, are given in Annexure I to this report in the prescribed form in Form AOC-2 (Annexure I).

EMPLOYEE'S REMUNERATION:

Details of Employees receiving the remuneration in excess of the limits prescribed under Section 197 of the Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure II. In terms of first proviso to Section 136(1) of the Act, 2013 the Annual Report, excluding the aforesaid annexure is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company during business hours as mentioned in the Notice of AGM and any Shareholder interested in obtaining a copy of the said annexure may write to the Directors at the Registered Office of the Company.

DEPOSITS:

The Company has not accepted any deposit from the Shareholders and others within the meaning of Chapter V of the Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31st March 2025 and hence the question of furnishing any details relating to deposits covered under Chapter V of the Act, 2013 does not arise.

DETAILS OF LOANS / GUARANTEES / INVESTMENTS MADE:

The details of loans, guarantees and investments under section 186 of the Act, 2013 read with the Companies (Meetings of Board and its Power) Rules 2014, for the financial year 2024-2025 is not applicable to the Company.

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

The provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information and details on conservation of energy, technology absorption do not apply to the Company, as the Company is not a manufacturing company.

Foreign exchange earnings or expenditure for the financial year 2024-2025:

Particulars	Rs. In Lakhs
Earnings in foreign currency	439.09
Expenditure in foreign currency	37.37

MAINTENANCE OF COST RECORDS:

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year. Further, companies covered under Table B of Rule 3 to Companies (Cost Records and Audit) Rules, 2014 whose overall annual turnover exceeds 100 Crores are required to get its cost records audited.

The Company's operations do not fall under any of the activities requiring maintenance and subsequent audit of cost records.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 :

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), the Company has an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year 2024-2025, initiatives were undertaken to demonstrate Company's zero tolerance policy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material. In addition, online workshops were also run for the employees to enhance awareness and knowledge.

Annual Return:

In terms of the requirements of Section 134(3)(a) of the Act, 2013 read with the Companies (Accounts) Rules, 2014, the Annual Return for the year 2024-25 in prescribed form is available in the Company's website.

INSOLVENCY AND BANKRUPTCY CODE :

There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

ONETIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION:

No disclosure or reporting is required in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions

OTHER DISCLOSURES

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

issue of equity shares with differential rights as to dividend, voting or otherwise;

raising of funds through preferential allotment or qualified institutions placement;

REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

ACKNOWLEDGEMENT

The directors gratefully acknowledge the continued support and co-operation received from the holding Company, namely, TVS Holdings Limited, and bankers for their continued support and assistance.

For and on behalf of the Board

Place : Chennai
Date : 26th April 2025

S G MURALI
Director
DIN : 00348902

SRIRAM S IYER
Director
DIN: 06967858

Annexure - I

Form No. AOC – 2

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

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Particulars	Amount (In lakhs)
TVS Motor Company Limited	
Availing of Technical Consultancy Services	1,904.55
TVS Digital PTE LTD.	779.93

1. Details of contracts or arrangements or transactions not at arm's length basis – Nil

2. Details of material contracts/arrangement/transactions at arm's length basis:

For and on behalf of the Board

Place : Chennai
Date : 26th April 2025

S G MURALI
Director
DIN : 00348902

SRIRAM S IYER
Director
DIN: 06967858

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of TVS Digital Limited

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of TVS Digital Limited ("the Company"), which comprise the Balance sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, Profit, total Comprehensive Income, Changes in Equity and 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report thereon

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

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Act, we give in the Annexure 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) 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), 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 24 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. i Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (refer Note No. 29(xiv)), 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.

ii Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (refer Note No. 29(xv)), 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

iii Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (i) and (ii) above, contain any material misstatement.

e. The Company has not declared any Dividend during the year.

f. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act.

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 Sec 197(16) which are required to be commented upon by us.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN	25224922BMIULA6760

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 26th April, 2025

Annexure A to Independent Auditor's Report - 31 March 2025

(Referred to in our report of even date)

i. a) A) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B) The Company does not have any intangible asset as on 31 March 25. Hence, this Clause 1(a)(B) is not applicable.

b) The company has a regular program of physically verifying all the Property, Plant and Equipment at its offices, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. In accordance with this programme, physical verification of assets have been conducted by the management on yearly basis and no material discrepancies as compared to book records were noticed on such verification.

c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any immovable assets. Hence, this Clause is not applicable.

d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year.

e) According to the information and explanation given to us and the records of the Company examined by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. a) The Company is in the business of service in nature. Hence, this Clause is not applicable.

b) According to the information and explanation given to us and the records of the Company examined by us, the Company has not been sanctioned working capital limits in excess of Rupees five crores in aggregate from Banks and Financial Institutions during any point of time of the year on the basis of security of current assets of the Company. Therefore, clause (ii)(b) of para 3 of the order is not applicable to the Company.

iii. According to the information and explanations given to us and the records of the Company examined by us, during the year, the Company has not provided security by way of collateral for loan taken by the fellow subsidiary of its Holding Company. The Company has not made any investment, provided any loan or advances in the nature of loan or stood guarantee to Companies, firms, Limited Liability Partnerships or any other parties. Therefore, clause (iii)(a)(A) of para 3 of the order is not applicable to the Company.

a) In our opinion, the security by way of collateral provided to the fellow subsidiary of its Holding Company is not prejudicial to the interest of the Company. According to the information and explanation given to us and the records of the Company examined by us, the Company has not made investment in, not provided any guarantees, and not provided any loan or advances in the nature of loans during the year and in earlier years.

b) The Company has not provided any loans and advances in the nature of loans during the year and in earlier years. Therefore, clause (iii)(c), (d), (e) & (f) of para 3 of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, wherever applicable.

The Company has not made any investment, not granted any loan or provided securities or guarantees during the year.

v. According to the information and explanations given to us and the records of the Company examined by us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Therefore, clause (v) of para 3 of the order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified under Section 148(1) of the Act, for the operations carried on by the Company, is not applicable. Therefore, clause (vi) of para 3 of the order is not applicable to the Company.

a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues payable including Income Tax, Goods and Services Tax, and Cess and other material statutory dues as applicable to the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Services Tax, Cess and other material statutory dues were in arrears as at 31st March 2025 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 the records of the Company, there are no dues of Income-Tax, Goods and Services Tax (GST), and Cess which have not been deposited other than the following on account of dispute, as given below.

(Rs. in Lakhs)

Name of the statue/ (Nature of dues)	Period of Due/ Dispute	Demand	Amount paid under protest/ Deposit against appeal	Forum where dispute is pending
GST	April to June 2017	103.79	31.14	Appellate Authority, Chennai

viii. According to the information and explanations given to us and based on the records, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Therefore, there are no unrecorded income to be recorded in the books of accounts during the year.

ix. According to the information and explanations given to us and based on the records, the Company has not borrowed. Therefore, clause (ix) of para 3 of the order is not applicable to the Company.

x. a) According to the information and explanations given to us and based on the records, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Therefore, clause (x)(a) of para 3 of the order is not applicable to the Company.

b) According to the information and explanations given to us and based on the records verified by us, the Company has not made preferential allotment (rights issue) of equity shares, Hence, the requirements of section 62 of the Act is not applicable. The Company has not made any private placement, hence section 42 of the Act is not applicable.

xi. a) During the course of our examination of the books and records of the Company, carried out based upon the generally accepted audit procedures performed for the purpose of reporting the true and fair view of the financial statements, to the best of our knowledge and belief and as per the information and explanations given to us by the Management, and the representations obtained from the management, no fraud by the Company or no material fraud on the company have been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. According to the information and explanations given to us, the Company does not have a secretarial auditor and cost auditor.

c) According to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Therefore, clause (xii) of para 3 of the order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, based on verification of the records of the Company, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. a) In our opinion and based on our examination, the Company is not required to have an Internal audit system as per provisions of the Companies Act 2013.

b) Since provisions of internal audit system is not applicable to the Company as per the provisions of the Companies Act 2013, clause (xiv)(b) of para 3 of the order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

xvi. According to the information and explanations given to us and based on the information given to us and records verified by us

a) the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Clause 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.

c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.

d) The Group does not have more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly Clause 3(xviii) of the Order is not applicable to the Company.

xix According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note No. 23 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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. In our opinion and according to the information and explanations given to us, the Company is not required to comply with the provisions of Schedule VII read with Section 135 of the Act. Therefore, clause (xx) of para 3 of the order is not applicable to the Company.

xxi. The Company is not required to prepare consolidated financial statement. Therefore, clause (xxi) of para 3 of the order is not applicable to the Company.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN	25224922BMIULA6760

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 26th April, 2025

Annexure "B" to Independent Auditors' Report 31st March 2025

(Referred to in our report of even date)

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

1. We have audited the internal financial controls with reference to financial statements of TVS Digital Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Companies Act, 2013.

Auditor's Responsibility

3. 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

6. 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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial Control with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN	25224922BMIULA6760

V BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 26th April, 2025

Balance Sheet as at 31st March 2025

(Rs. in Lakhs)

	Note No.	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	2	2.31	-
Total non-current assets		**2.31**	**-**
Current assets			
Financial assets			
i. Trade Receivables	3	636.89	128.14
ii. Cash and cash equivalents	4	9.56	301.06
Current tax assets (Net)	5	164.53	8.34
Other current assets	6	145.61	145.90
Total current assets		**956.59**	**583.44**
Total Assets		**958.90**	**583.44**
Equity and Liabilities			
Equity			
Equity share capital	7	305.00	305.00
Other equity	8	159.42	109.17
Total equity		**464.42**	**414.17**
Current liabilities			
Financial liabilities			
i. Trade payables	9		
Total outstanding dues of micro and small enterprises (MSME)		0.74	-
Total outstanding dues of creditors other than micro and small enterprises (MSME)		373.09	117.97
ii. Other financial liabilities	10	6.55	6.45
Other current liabilities	11	114.10	44.85
Total current liabilities		**494.48**	**169.27**
Total liabilities		**494.48**	**169.27**
Total equity and liabilities		**958.90**	**583.44**
Material Accounting Policies	1		
See the accompanying notes to financial statements			

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

For and on behalf of the Board of Directors

V.BALAJI
Partner
Membership No.: 224922

SG MURALI
Director
DIN 00348902

SRIRAM S IYER
Director
DIN 06967858

Place : Chennai
Date : 26th April, 2025

Statement of Profit and Loss for the year ended 31st March 2025

(Rs. in Lakhs)

	Note No.	Year Ended March 31, 2025	Year Ended March 31, 2024
Income			
Revenue from operations	12	2,781.78	385.15
Other Income	13	2.93	-
Total income		**2,784.71**	**385.15**
Expenses			
Operating Expenses	14	950.76	335.70
Employee benefits expense	15	1,555.30	-
Depreciation and amortisation expense		0.94	-
Other expenses	16	210.56	12.71
Total expenses		**2,717.56**	**348.41**
Profit before tax		**67.15**	**36.74**
Income tax expense	17		
Current tax		16.90	9.55
Deferred tax		-	-
Total tax expense		**16.90**	**9.55**
Profit for the year		**50.25**	**27.19**
Items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		**-**	**-**
Total comprehensive income for the year		**50.25**	**27.19**
Earnings per equity share			
Basic & Diluted earnings per share	18	1.65	9.06
Material Accounting Policies	1		
See the accompanying notes to financial statements			

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Place : Chennai
Date : 26th April, 2025

For and on behalf of the Board of Directors

SG MURALI
Director
DIN 00348902

SRIRAM S IYER
Director
DIN 06967858

Cash Flow Statement for the year ended 31st March 2025

(Rs. in Lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	67.15	36.74
Adjustments for:		
Depreciation and amortisation expenses	0.94	-
Operating loss before working capital changes	68.09	36.74
Changes in working capital:		
Trade receivables	(508.75)	(128.14)
Inventory	-	127.82
Other current assets	(166.27)	(52.64)
Trade payables	255.86	116.39
Other financial liabilities	0.10	(140.84)
Other current liabilities	69.25	44.67
Provisions		
Cash generated / (used) from operations	**(281.72)**	**4.00**
Net income tax (paid) / refunded	(6.53)	(0.16)
Net cash (outflow) / inflow from operating activities (A)	**(288.25)**	**3.84**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipment, including capital advances	(3.25)	-
Net cash used in investing activities (B)	**(3.25)**	**-**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of shares (right issue)	-	300.00
Cost of issue of Equity shares		(3.39)
Net cash generated from financing activities (C)	**-**	**296.61**
Total (A+B+C)	**(291.50)**	**300.45**
Cash and cash equivalents at the beginning of the year	301.06	0.61
Cash and cash equivalents at the end of the year	9.56	301.06
Net increase/(decrease) in cash and cash equivalents	**(291.50)**	**300.45**

Note : The above Statement of Cash flow is prepared using indirect method

See the accompanying notes to financial statements

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Place : Chennai
Date : 26th April, 2025

For and on behalf of the Board of Directors

SG MURALI
Director
DIN 00348902

SRIRAM S IYER
Director
DIN 06967858

Statement of Changes in Equity

I) Equity Share Capital **(Rs in lakhs)**

Balance as at March 31, 2023	5.00
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2023	-
Equity Share Capital during the year	300.00
Balance as at March 31, 2024	305.00
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2024	-
Equity Share Capital during the year	-
Balance as at March 31, 2025	**305.00**

II) Other equity

Particulars	**Reserves & Surplus**
	Retained earnings
Balance as at March 31, 2023	**85.37**
Add : Profit for the year	27.19
Less : Cost for issue of Equity shares	(3.39)
Balance as at March 31, 2024	**109.17**
Add : Profit for the year	50.25
Balance as at March 31, 2025	**159.42**

See the accompanying notes to financial statements

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Place : Chennai
Date : 26th April, 2025

For and on behalf of the Board of Directors

SG MURALI
Director
DIN 00348902

SRIRAM S IYER
Director
DIN 06967858

1. MATERIAL ACCOUNTING POLICIES

a) Brief description of the Company

TVS Digital (formerly known as TVS Housing Limited) ('the Company') is a public limited company incorporated in the year 2010 and domiciled in India. The registered office is located at "Chaitanya, No.12, Khader Nawaz Khan Road, Greams Road, Chennai, Chennai, Tamil Nadu, India, 600006".

These financials statements for the year ended 31st March 2025 have been approved and authorized for issue by the Board of Directors at its meeting held on 26th April 2025.

b) Basis of preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities is measured at fair value;
- defined benefit plans – plan assets measured at fair value;

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

The company recognizes revenue on completion of performance obligations as per the customer specifications as specified in the agreement and when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria for recognition have been met. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

e) Property, Plant and Equipment (PPE)

Property plant and equipment are stated at historic cost less depreciation and impairment, if any. Cost includes purchase price, taxes and duties, labor cost and directly attributable overhead expenditure incurred up to the date the asset is ready for its intended use. However, cost excludes all duties and taxes wherever credit of the same is availed.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

f) Depreciation and amortization

The company depreciates the carrying amount of the assets over the remaining useful life of the assets as per schedule II of the Companies Act, 2013 under straight line method, except for mobile phones with value less than Rs. 1 lakh, useful life will be 1 year. Useful life of office equipments is considered as 3 years

g) Inventories

i) Stock-In-Trade

Land is valued at the lower of cost and net realizable value. Cost includes cost of acquisition and all related costs.

h) Employee benefits

(i) Short term obligations:

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

(ii) Other long-term employee benefit:

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

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

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity and pension for its eligible employees, and

b) Defined contribution plans such as provident fund.

iv) Pension and Gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

v) Provident fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to Provident Fund authority.

vi) Bonus plans:

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

J) Income Tax

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current tax and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

K) Provisions and Contingent liabilities

i) Provision:

A provision is recorded when the Company has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

L) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

M) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the intention to collect the contractual cash flows and therefore measures them subsequently at amortized cost using effective interest method, less loss allowance.

N) Functional Currency:

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

Transactions and balances:

i. Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the date of transaction.

ii. Exchange differences arising on settlement of transactions are recognized as income or expense in the year in which they arise.

O) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are usually unsecured and paid within the credit periods. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using effective interest method.

P) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading or

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The normal operating cycle in respect of operation relating to real estate project depends on singing of agreement, size of the project, phasing of the project, type of development, project

complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly, assets & liabilities have been classified into current & non-current based on operating cycle.

Q) Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for new equity shares issued during the year (Note No.18)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

R) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to balance Sheet

(Rs. in Lakhs)

2- Property, Plant & Equipment

Description	Office equipment	Total
	6	9
Gross block		
As at 01-04-2024	-	-
Additions	3.25	3.25
Sub-total	3.25	3.25
Sales / Deletion	-	-
Due to Business Combination		
Total	**3.25**	**3.25**
Depreciation		
Upto 31-03-2024	-	-
For the Period		
Amortisation	0.94	0.94
Sub-total	0.94	0.94
Withdrawn on assets sold / deleted	-	-
Total	0.94	0.94
Net Carrying amount		
As at 31-03-2025	**2.31**	**2.31**

		As at March 31, 2025	As at March 31, 2024
3	**Trade Receivables**		
	Trade Receivables considered good - Unsecured	636.89	128.14
	Total Trade Receivables	**636.89**	**128.14**

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

Ageing for trade receivables as on 31st March 2025

Particulars	Outstanding for following period from due date of payment						Total
	Not due	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3years	
(i) Undisputed trade receivables - considered good	372.78	264.11	-	-	-	-	636.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**372.78**	**264.11**	**-**	**-**	**-**	**-**	**636.89**

Ageing for trade receivables as on 31st March 2024

Particulars	Outstanding for following period from due date of payment						Total
	Not due	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3years	
(i) Undisputed trade receivables - considered good	128.14	-	-	-	-	-	128.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**128.14**	**-**	**-**	**-**	**-**	**-**	**128.14**

		As at March 31, 2025	As at March 31, 2024
4	**Cash and cash equivalents**		
	Balances with banks - Current account	9.56	301.06
	Total cash and cash equivalents	**9.56**	**301.06**
5	**Current tax assets (Net)**		
	Advance Tax and TDS receivable net off Provision for Tax	164.53	8.34
	Total Current tax assets (Net)	**164.53**	**8.34**
6	**Other current assets**		
	GST Receivable	104.72	135.42
	Advance given to vendor	8.62	0.10
	Rental advance	1.13	-
	Security Deposit with Government Authorities	31.14	10.38
	Total other current assets	**145.61**	**145.90**

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

7 Equity share capital

(a) **Authorised, issued, subscribed and fully paid up**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Rs. in Lakhs	Number	Rs. in Lakhs
Authorised:				
Equity shares of Rs.10/- each	30,50,000	305.00	30,50,000	305.00
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each	30,50,000	305.00	30,50,000	305.00
	30,50,000	305.00	30,50,000	305.00

(b) **Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Rs. in Lakhs	Number	Rs. in Lakhs
Shares outstanding at the beginning of the year	30,50,000	305.00	50,000	5.00
Shares issued during the year	-	-	30,00,000	300.00
Shares outstanding at the end of the year	30,50,000	305.00	30,50,000	305.00

(c) **(i) Rights and preferences attached to equity share:**

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) **Shares held by holding company at the end of the year/ shareholders holding more than 5% of paid up Equity Share Capital**

Name of shareholder (with nominees)	Class of share	As at March 31, 2025		As at March 31, 2024	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Motor Company Limited upto 15th September 2024	Equity	-	-	30,50,000	100%
TVS Holdings Limited with effect from 16th September 2024	Equity	30,50,000	100%	-	-

During the year ended March 31, 2025, 100% of equity shares of the Company was transferred by TVS Motor Company Limited to TVS Holdings Limited on 16th September 2024

(e) **Details of Shares held by promoters in the company**

Name of Promoter	Class of share	As at March 31, 2025		As at March 31, 2024		% Change during the year	
		No. of shares held	% of holding	No. of shares held	% of holding	As at March 31, 2025	As at March 31, 2024
TVS Motor Company Limited upto 15th September 2024	Equity	-	-	30,50,000	100%	(100%)	Nil
TVS Holdings Limited with effect from 16th September 2024	Equity	30,50,000	100%	-	-	100%	Nil

Notes to Balance Sheet (Contd.)

Rs. in Lakhs

		As at March 31, 2025	As at March 31, 2024
8	**Other Equity**		
	a) Retained earnings		
	Opening balance	109.17	85.37
	Net profit for the year	50.25	27.19
	Cost of Issue of Equity Shares	-	(3.39)
	Total reserves and surplus	**159.42**	**109.17**

Retained earnings: Company's cumulative earnings since its formation. These are available for distribution.

9	**Trade payables**		
	Dues to Micro and Small Enterprises	0.74	-
	Dues to enterprises other than Micro and Small Enterprises	373.09	117.97
	Total trade payables	**373.83**	**117.97**

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006	As at March 31, 2025	As at March 31, 2024
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment)	0.74	-
(i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

	Outstanding for following period from due date of payment						
Particulars	**Unbilled dues**	**Not due**	**<1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
March 31, 2025							
(i) Dues to Micro and Small Enterprises	-	0.74	-	-	-	-	0.74
(ii) Dues to enterprises other than Micro and Small Enterprises	256.33	116.76		-	-	-	373.09
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	**256.33**	**117.50**	**-**	**-**	**-**	**-**	**373.83**
March 31, 2024							
(i) Dues to Micro and Small Enterprises	-	-	-	-	-	-	-
(ii) Dues to enterprises other than Micro and Small Enterprises	70.71	47.26	-	-	-	-	117.97
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	**70.71**	**47.26**	**-**	**-**	**-**	**-**	**117.97**

		As at March 31, 2025	As at March 31, 2024
10	**Other financial liabilities**		
	Payable to related parties (Net of Security Deposit)	6.55	6.45
	Total Other financial liabilities	**6.55**	**6.45**
11	**Other current liabilities**		
	Statutory Dues	112.89	44.85
	Employee related	1.21	-
	Total other current liabilities	**114.10**	**44.85**

Notes to Statement of Profit or Loss

Rs. in Lakhs

		Year Ended March 31, 2025	Year Ended March 31, 2024
12	**Revenue from operations**		
	Sale of Land	-	258.11
	Rental Incomes	-	5.40
	Sale of Services	2,781.78	121.64
	Total revenue	**2,781.78**	**385.15**
13	**Other Income**		
	Exchange gain	2.53	-
	Interest income	0.40	-
	Total Other Income	**2.93**	**-**
14	**Operating Expenses**		
	Inventories at the beginning of the year:		
	Land held for development	-	127.82
	Add: Incurred during the year:	-	-
		-	**127.82**
	Less: Inventories at the end of the year:	-	-
	Inventory Charged off (A)	-	127.82
	Software Consultancy Charges (B)	950.76	207.88
	Operating Expenses (A+B)	**950.76**	**335.70**
15	**Employee benefit expense**		
	Salaries, wages and bonus	1,464.35	-
	Contribution to provident and other funds	85.82	-
	Staff welfare expenses	5.13	-
	Total employee benefit expense	**1,555.30**	**-**
16	**Other expenses**		
	Rent	3.54	0.60
	Audit Fees*	3.00	1.50
	Consultancy and Professional Charges	118.09	10.50
	Rates & Taxes	0.60	0.10
	Travel Expenses	9.90	-
	Miscellaneous Expenses	75.43	0.02
	Total other expenses	**210.56**	**12.71**

** Refer Note No. 27*

		Year Ended March 31, 2025	Year Ended March 31, 2024
17	**Income tax expense**		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	16.90	9.55
	Total current tax expense	**16.90**	**9.55**
	(b) Deferred tax		
	Decrease / (increase) in deferred tax assets	-	-
	(Decrease) / increase in deferred tax liabilities	-	-
	Total deferred tax expense/(benefit)	**-**	**-**
	Income tax expense	**16.90**	**9.55**
	(b) Reconciliation of tax expense and the accounting profit multiplied by Income tax rate:		
	Profit before income tax expense	67.15	36.74
	Tax at the Income tax rate of 25.17% (PY : 26.00%)	16.90	9.55
	Income tax expense	**16.90**	**9.55**
18	**Earnings per share**		
	(a) Basic and diluted earnings per share		
	Basic/Diluted earnings per share attributable to the equity holders of the Company	1.65	9.06
	(b) Reconciliations of earnings used in calculating earnings per share		
	Profit attributable to equity shareholders of the company used in calculating basic/diluted earnings per share (Rs.)	50.25	27.19
	(c) Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings per share	30,50,000	3,00,000

Financial instruments and risk management

Rs. in Lakhs

19 Fair value measurements

Financial instruments by category

	As at March 31, 2025	As at March 31, 2024
	Amortised cost	Amortised cost
Financial assets		
Cash and cash equivalents	9.56	301.06
Trade Receivables	636.89	128.14
Total Financial Assets	**646.45**	**429.20**
Financial liabilities		
Trade payables	373.83	117.97
Other Financial liabilities	6.55	6.45
Total Financial Liabilities	**380.38**	**124.42**

The Company has no Financial Assets or Liabilities that are valued at Fair Value through Profit and Loss or Fair Value through Other Comprehensive Income

(ii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

20 Financial risk management

The company's activities expose only to credit risk.

Risk	Exposure arising from	Risk Mitigation
Credit risk	Cash and Cash Equivalents	Surplus cash is deposited only with banks/ financial institutions with high external rating
Credit risk	Trade Receivables	Significant number of company's customers take a loan from bank/financial institution where credit risk is negligent

(A) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions.

(i) Credit risk management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

(B) Liquidity risk

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Maturity	March 31, 2025	March 31, 2024
Trade payables	< than 12 months	373.83	117.97
Other financial liabilities	< than 12 months	6.55	6.45

21 Capital management

Risk management

The company's objectives when managing capital are to

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).The company's strategy is to maintain a gearing ratio a optimal gearing ratio. The gearing ratios were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Net debt	-	-
Total equity	464.45	414.17
Net debt to equity ratio*	**-**	**-**

*At 31 March 2024 and 31 March 2025, the company's Net Debt is Negative, Hence the ratio is not given.

IND AS 115 disclosures

Rs. in Lakhs

22 Revenue from contracts with customers

1 The Company has adopted Ind AS 115 from April 1, 2018 and had opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April 2018, and subsequent contracts with customers from that date.

2 Disaggregated revenue

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Company identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under:

S No	Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
1	Sale of Land	-	258.11
2	Rental Incomes	-	5.40
3	Sale of Services	2,781.78	121.64
		2,781.78	**385.15**

3 The operations of the Company relate to only one segment viz., information technology designing, development & support services. Thus, the information on the relationship between disaggregated revenue under Ind AS 115 and for reportable segment under Ind AS 108 is not required.

4 Reconciliation of revenue with contract price

S.No	Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
1	Revenue from opeartions as per statement of Profit & loss	2,781.78	385.15
2	Adjustements :	-	-
3	Contract price	2,781.78	385.15

23 Ratio Analysis

S No	Ratio	Numerator CY / PY	Denominator CY / PY	Current year 31.03.2025	Previous Year 31.03.2024	% Variance	Reasons
a	Current Ratio= Current assets / Current Liabilities	956.59	494.45	1.93	3.46	-44%	Better working capital management
		583.44	169.27				
b	Debt equity ratio= total debt / total shareholder's equity	-	464.45	NA	NA	NA	Nil
		-	414.17				
c	Debt service coverage ratio= earnings available for debt services / total interest and principal repayments	-	-	NA	NA	NA	Nil
		-	-				
d	Return on equity ratio/ return on investment ratio= Net profit after tax / Average shareholder's equity	50.25	439.31	0.11	0.11	-	Nil
		27.19	252.27				
e	Inventory turnover ratio= Net sales / average Inventory	-	-	NA	3.01	NA	Nil
		-	127.82				
f	Trade receivables turnover ratio= Net sales / average trade receivables	2,781.78	382.51	7.27	6.01	21%	Nil
		385.15	64.07				
g	Trade Payables turnover ratio= Net Purchases / average trade Payables	950.76	245.90	3.87	5.62	-31%	This is due to business improvement
		335.70	59.79				
h	Net capital turnover ratio= Net sales / working capital	2,781.78	462.14	6.02	0.93	547%	This is due to business improvement
		385.15	414.17				
i	Net profit turnover ratio= Net profit after tax / Net sales	50.25	2,781.78	0.02	0.07	-74%	This is due increase in sales as a part of business improvement
		27.19	385.15				
j	Return on Capital employed = Earnings before interest and taxes(EBIT) / Capital Employed	67.15	464.45	0.14	0.09	63%	This is due to business improvement
		36.74	414.17				
k	Return on investment=Net profit after tax /Avg Shareholders Equity	50.25	439.31	0.11	0.11	-	Nil
		27.19	252.27				

Other disclosures

Rs. in Lakhs

24 Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Goods & Service Tax Due (dispute is pending with Appellate Tribunal for FY 2017-18) against order no. 17/2023-CH.N(ADC) dated 31.01.2023	103.79	114.17

Company has Filed an Appeal against the order and paid a pre-deposit of Rs.31.14 lakhs to the authority.

25 Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities	140.99	Nil
(b) Other commitments		
Expenditure related contractual commitments apart from Capital Commitments	Nil	Nil

26 Related Party Disclosure

Particulars	As at Year Ended March 31, 2025	As at Year Ended March 31, 2024
(a) Related parties and their relationship for the Financial Year 2024-25		
Holding company		
TVS Holdings Limited with effect from from 16th September 2024		
Fellow Subsidiary of Holding Co.		
TVS Motor Company Limited, India		
TVS Credit Services Limited, India		
TVS Digital PTE Ltd, Singapore		
Directors / Key Managerial Personnel (KMP)		
Mr. S G Murali		
Mr. Sriram Subramanian Iyer		
Mr. V R Karunakarareddy		
Entities under Common control		
Sundaram Clayton Limited, India		
Other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)		
(b) Transactions with related parties: (Receipt) / Payment		
(i) Technical Consultancy Income		
TVS Motor Company Limited (Holding Company upto 15th September 2024)	(513.76)	(121.64)
- Fellow subsidiary of Holding Company		
TVS Motor Company Limited with effect from 16th September 2024	(1,390.79)	Nil
TVS Credit Services Limited, India	(35.99)	Nil
TVS Digital PTE Ltd, Singapore	(779.93)	Nil
Entities under Common control		
Sundaram Clayton Limited, India	(13.58)	Nil
(ii) Availing of HR support services		
- other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	23.65	Nil
(iii) Remuneration to Directors		
Mr. S G Murali	0.30	Nil
Mr. Sriram Subramanian Iyer	0.10	Nil
Mr. V R Karunakarareddy	0.30	Nil
(iv) Sale of Land - TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	Nil	258.11
(v) Rent expense - TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	Nil	0.60
(vi) Rental Income - TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	Nil	5.40
(vii) Repayment of dues - TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	Nil	140.84
(c) Balances with related parties: (Payable) / Receivable		
(i) Trade payables		
- other related parties		
TVS Emerald Limited (formerly known as Emerald Haven Realty Limited)	(32.09)	(6.45)
(i) Trade receivables		
- Fellow subsidiary of Holding Company		
TVS Motor Company Limited with effect from 16th September 2024	229.33	128.14
TVS Credit Services Limited, India	19.36	-
TVS Digital PTE Ltd, Singapore	344.48	-
Entities under Common control		
Sundaram Clayton Limited, India	5.02	-

27 Auditors' remuneration (Included under Other Expenses) (Exclusive of GST)

Particulars	As at March 31, 2025	As at March 31, 2024
Payments to Auditors as		
a. Statutory Auditor	2.50	1.50
b. Tax audit fees	0.50	-

Other disclosures

28. In the opinion of the management, the current assets & advances have a value of realisation in ordinary course of business or at least equal to the amount at which they are stated in the balance sheet.

29. Additional Regulatory Information

i The Company does not have any investment property.

ii The Company has not revalued its Property, Plant and Equipment (including Right to Use Assets).

iii The Company does not have any intangible assets

iv The Company does not have any Capital Work in Progress.

v There are no intangible assets under development.

vi The Company has not granted Loan or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties, which are repayable on demand or without specifying any terms or period of repayments.

vii No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

viii The Company has not obtained borrowings from banks or financial institutions on the basis of security of current assets.

ix The Company is not declared "willful defaulter" by any bank or financial institution or other lender.

x There are no transaction with the companies whose name struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025.

xi All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration of charges or satisfaction is pending at end of financial year ended 31 March 2025.

xii There are no Subsidiary for the Company. Hence, reporting under clause L (xiii) of Notification GSR 207(E) dated 24 March 2021,does not arise.

30. No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

31. 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 or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
a) 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)
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

32. The Company has not received any fund from any person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding Party (Ultimate Beneficiaries)
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

33. The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

34. The Company does not meet the thresholds prescribed under Section 135 of the Companies Act. Therefore, spending under Corporate Social Responsibility is not applicable.

35. The Company has not operated in any crypto currency Transactions.

36. Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

As per our report annexed
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

V.BALAJI
Partner
Membership No.: 224922

Place : Chennai
Date : 26th April, 2025

For and on behalf of the Board of Directors

SG MURALI
Director
DIN 00348902

SRIRAM S IYER
Director
DIN 06967858

TVS HOLDINGS (SINGAPORE) PTE. LIMITED
UEN: 202401707W
1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)
Balance sheet as at 31st March, 2025

Particulars	Note No.	As at 31st March, 2025 *(SGD $)*	As at 31st March, 2024 *(SGD $)*
I. ASSETS			
1. Non current assets			
a) Deferred tax asset		-	-
2. Current assets			
a) Cash and cash equivalents	1	1	1
Total		**1**	**1**
II. EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share capital	2	1	1
b) Reserves and surplus	3	-	-
2. Current liabilities			
a) Other current liabilities		-	-
b) Short-term provisions		-	-
Total		**1**	**1**

TVS HOLDINGS (SINGAPORE) PTE. LIMITED

UEN: 202401707W

1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)

Statement of profit and loss account for the period ended 31st March, 2025

			(SGD $)	*(SGD $)*
	Particulars	**Note No.**	**For the Period ended 31st March, 2025**	**For the Period ended 31st March, 2024**
I	Revenue fom operation		-	-
II	Other income		-	-
III	**Total income (I + II)**		**-**	**-**
IV	**Expenses**			
	a) Other expenses	4	-	-
	Total expenses		**-**	**-**
V	**Profit before tax (III - IV)**		**-**	**-**
VI	**Tax expenses**			
	a) Current tax		-	-
	b) Deferred tax		-	-
	Total tax expenses		**-**	**-**
VII	**Profit/ (Loss) for the period (V-VI)**		**-**	**-**
	Earnings per equity share(EPS)			
	i) Basic EPS		-	-
	ii) Diluted EPS		-	-

TVS HOLDINGS (SINGAPORE) PTE. LIMITED
UEN: 202401707W
1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)

Statement of Changes in Equity *(SGD $)*

A

Equity	**Note No.**	**Amount**
Balance as at April 1, 2024		**1.00**
Changes in Equity share capital during the year	2	-
Balance as at March 31, 2025		**1.00**

B

Other Equity	**Note No.**	**Retained Earnings**	**Total**
Balance as at July 22, 2024		**-**	**-**
Profit for the period	3	-	-
Other comprehensive income		-	
Balance as at March 31, 2025		**-**	**-**

TVS HOLDINGS (SINGAPORE) PTE. LIMITED
UEN: 202401707W
1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)

Notes to Balance sheet *(SGD $)* *(SGD $)*

Note No.	Particulars	As at 31st March, 2025	As at 31st March, 2024
1	**Cash and cash equivalents**		
	Balance with scheduled banks:	1	1
	Total	**1**	**1**
3	**Reserves and surplus**		
	Opening balance	-	-
	Add: Profit for the year	-	-
	Less: Transfer to capital redemption reserve	-	-
	Closing balance	**-**	**-**

TVS HOLDINGS (SINGAPORE) PTE. LIMITED
UEN: 202401707W
1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)

Notes to Balance Sheet ***(SGD $)***

2	Share Capital	No. of Shares	Amount
(i)	**Authorised Share Capital:**		
	1 Equity shares of SGD.1 $	1	1.00
(ii)	**Issued, Subscribed and Fully Paid up Share Capital:**		
	1 Equity shares of SGD.1 $	1	1.00

(iii) **Movement in equity share capital**

	No. of Shares	Amount
Equity Shares as at April 1, 2024	**1**	**1.00**
Additions	-	-
Equity Shares as at March 31, 2025	**1**	**1.00**

(iv) **Details of share holders holding more than 5% & Shares held by holding company**

Name of the Share Holder	As at March 31, 2025	
	No. of Shares	%
TVS Holdings Limited, India	1	100.00

(v) **Terms / Rights attached**

The company has only one class of equity shares having a par value of Singapore Dollar (SGD). 1/- per share. Each shareholder has a right to participate in General Meeting and is eligible for one vote per share held. Residual interest in the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided

(vi) **Details of shares held by promoters as at 31st March 2025**

Name of Shareholder	Class of Share	As at March 31, 2025	
		No. of Shares held	% of Holding
TVS Holdings Limited	Equity	1	100.00

TVS HOLDINGS (SINGAPORE) PTE. LIMITED
UEN: 202401707W
1 KIM SENG PROMENADE, #10-07 GREAT WORLD CITY, SINGAPORE (237994)

Notes to Statement of Profit and Loss **(SGD $)** **(SGD $)**

Note No.	Particulars	For the Period ended 31st March, 2025	For the Period ended 31st March, 2024
4	**Other expenses**		
	Admin & Bank Charges	-	-
	Total	**-**	**-**

Directors' Report to the Shareholders

The Directors present the 33rd annual report together with the audited financial statements for the year ended 31st March 2025.

1. Financial Highlights

(Rs.in crores)

Details	Year ended 31.03.2025	Year ended 31.03.2024
Sales and other income (A)	**0.97**	**0.41**
Expenses		
Cost of material consumed	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	-	-
Employee benefit expenses	0.81	0.91
Finance costs	0.18	0.21
Depreciation and amortisation expense	3.31	3.58
Other expenses	3.65	2.17
Total expenses (B)	**7.95**	**6.86**
Profit before tax from Discontinued operations (A) – (B)	**22.48**	**35.28**
Exceptional items (Gain / Loss)	-	**-**
Less: Income tax expense:		
Current Tax	2.63	5.79
Deferred Tax	(10.05)	4.55
Profit for the period from Discontinued operations	**29.91**	**24.94**
Other Comprehensive income/ (loss)	(0.43)	0.14
Total comprehensive income	**23.18**	**19.39**

Company's Overview

During the year under review, the Board of Directors decided to exit the injection moulded plastic component solutions division and Seating Division of the Company. Hence the Company approved the sale of its injection moulded plastic component solutions division to Pricol Precision Products Private Limited ("PPPPL") and Seating Division to Uno Minda Limited as a going concern on a slump sale basis.

Post completion of these transactions, the Company retains only land and buildings at Hosur and hence the Board at its meeting held on 24th January 2025 approved the merger of the Company with TVS Motor Company Limited, the holding Company through a scheme of arrangement under Sections 230-232 of the Companies Act, 2013.

The Company is in the process of filing necessary applications with the Hon'ble National Company Law Tribunal, Chennai

Share Capital

The Company's paid-up Equity Share Capital as on 31st March 2025 is Rs. 11.94 Cr.

No changes took place in the share capital of the Company during the year.

Dividend

The Board of Directors on 28th February 2025 declared an interim dividend of Rs. 84/- per share (840%) on 1,19,37,422 equity shares of Rs.10/- each fully paid up, absorbing a sum of Rs. 100.27 Cr for the financial year 2024-25 and the same was paid to the shareholders of the Company. The board does not recommend any final dividend for this Financial year.

RISKS AND CONCERNS

Environmental & Geopolitical Factors:

The Geopolitical strife remains volatile. Israel-Iran, Russia-Ukraine wars could disrupt supply chains.

Subsidiaries/ Joint Ventures/ Associates

As on 31st March 2025, the Company has no subsidiaries/ joint ventures/ associates.

Risk Management

The Board has established a sound Risk Management framework to identify, monitor and minimize risks as well as to identify business opportunities.

Risk evaluation and management is an ongoing process. As a process, risks associated with the business are identified and prioritized based on the Company's overall risk appetite, tolerance, strategy, severity and taking into account the current and prospective economic and financial environment.

The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Company's Board is overseeing all the risks that the organization faces such as strategic, financial, market, IT, legal, regulatory, reputational and other risks and recommends suitable action. Risk minimization policy has already been approved by the Board.

Internal Financial Controls and their adequacy

The Directors had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company 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. The Board evaluates the internal financial controls systems periodically.

Directors' responsibility statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors have made the following statement in terms of Section 134 of the Companies Act, 2013 (the Act):

(a) that in the preparation of the annual accounts for the year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the Directors had prepared the accounts for the financial year ended 31st March 2025 on a going concern basis; and

(e) that 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.

Directors

There were no changes in the board of directors of the Company during the financial year ended 31st March 2025.

As on date, the following are the directors of the Company:

1. Mr Venu Srinivasan, Chairman
2. Dr. Lakshmi Venu, Director
3. Mr Rajesh Oommen, Director & CEO
4. Mr S G Murali, Director

Directors liable to retire by rotation

In terms of Section 152 of the Act 2013, two-third of the total number of Directors, are liable to retire by rotation and out of which, one-third is liable to retire by rotation at every annual general meeting.

At the Annual General Meeting of the Company held on 26th August 2024, Dr Lakshmi Venu, Director who held the office of director for the longest period, was liable to retire by rotation and was re-appointed by the shareholders.

Policy on Directors appointment and remuneration of Directors and Key Managerial Personnel

The Company has formulated a Nomination & Remuneration Policy (NRC Policy) to ensure that Directors and KMPs are sufficiently remunerated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a Director.

Board Evaluation

In terms of Section 134 of the Act, 2013, the Board reviewed and evaluated the all the Directors. The performance of Directors were assessed against a range of criteria such as contribution to the development of business strategy and performance of the Company, understanding the major risks affecting the Company, clear direction to the management and contribution to the Board cohesion.

The performance evaluation has been done by the entire Board of Directors except the Director concerned being evaluated. The Board noted that the directors have understood the opportunities and risks to the Company's strategy and is supportive of the direction articulated by the management team towards consistent improvement.

Key Managerial Personnel (KMP)

M/s Rajesh Oommen, Director and Chief Executive Officer and G Sathyan, Company Secretary are the Key Managerial Personnel of the Company as on the date of this Report.

Mr J Ashok Chakravarthi resigned from the post of Chief Financial Officer effective 31st January 2025.

Hence, the Company is fully complied with the provisions of Section 203 of the Companies Act, 2013.

Corporate Governance

Board Meetings:

During the year under review, the Board met five times on 2nd May 2024, 1st August 2024, 18th October 2024, 2nd December 2024 and 24th January 2025 and the gap between two meetings did not exceed one hundred and twenty days.

Extra- Ordinary General Meetings:

During the year under review, one Extra-Ordinary General Meeting of the shareholders was held on 2nd December 2024 for obtaining approvals under Section 180 (1) (a) of the Companies Act, 2013.

Committees of the board:

In terms of the provisions of Section 149 (4), 177 and 178 of the Companies Act, 2013 read with MCA notification dated 5th July 2017 and 13th July 2017, the company being a wholly owned subsidiary of TVS Motor Company Limited, is exempt from constitution of Audit Committee and Nomination and Remuneration Committee.

Further, companies with CSR spending of less than Rs. 50 Lakhs per year are exempt from the constitution of Corporate Social Responsibility Committee.

In view of the above, the board at its meeting held on 3rd May 2022 approved the dissolution of all the committees of the board viz. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee for operational convenience.

Corporate Social Responsibility:

The Company recognizes social responsibility as an integral and a critical part of its value system. Srinivasan Services Trust (SST), the CSR arm of Sundaram Auto Components Limited, has been successfully driving positive change in rural communities.

In the last 29 years, SST's model has matured into one centred on community participation in all its projects. Today, SST works in 2,500 villages in the country. It follows an integrated, holistic and participatory approach to village development, working very closely with the communities and the government.

SST's focus is to bring about sustainable development in villages through Total Community Involvement (TCI). Society building through the development of women and children, conserving water, providing holistic health and education by renovating the government infrastructure and preserving the environment are its focus areas. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from planning to execution of activities.

More than 60,000 women across the country have been organised into Self-Help Groups (SHGs), which empower the women socially and economically. Today, more than Rs. 100 Crores of income is being generated annually by the women in Self-Help Groups.

In 2024-25, nine SHGs facilitated by SST have been honoured with the district level prestigious Manimegalai Award introduced by Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2000 government infrastructures, which includes anganwadis, schools, health centers and veterinary centers. Adopting this holistic integrated village development model, SST has partnered with organizations like Gramalaya, Agastya International Foundation, Villmart Education, Navsahyog Foundation, Shreeja Mahila Milk Producer Company, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to create impact in the villages we serve.

SST has ensured that more than 25000 farmers have been benefitted by its water conservation projects like building and repairing water conservation structures, desilting tanks and channels and creating percolation ponds. Today, across the country, over 400 water conservation projects have been implemented by SST. This has created additional water storage capacity of 154 crore litres.

SST also ensures last mile connectivity for the government social security, agriculture and livestock schemes to reach the unreached and underserved. Apart from renovating the government health centers and conducting regular medical camps, SST runs 7 medical centers and 2 mobile medical vans in its working areas. Today, due to SST's interventions, more than 2 lakh patients annually have access to health care facilities.

SST has also afforested barren hillocks of over 14000 acres, in the last 3 decades. SST is working with Tata Institute of Social Sciences (TISS), 4th Wheel Social Impact, Institute of Rural Management Anand (IRMA) and Chrysalis services to carry out social impact studies for the various projects it is undertaking in its working areas.

SST has won the following awards in FY25:

- 1st place for its 'Learning & development' best practice at the 27th NHRD National conference & 13th HR Showcase at Bangalore on Feb 7-8, 2025.
- The CSR Universe Social Impact Awards 2024 under the 'Health' category for impactful health services to rural communities through SST Health Centres, Mobile Medical Vans, Health camps.
- The Gold award for 'Excellence in HR Digital transformation' at the Economic Times Human Capital Awards MENA 2024.
- The CSR & Sustainability Award 2023 under the category of Excellence in Providing Healthcare Services by ASSOCHAM (The Associated Chambers of Commerce and Industry of India).

As required under Section 135 of the Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual Report on CSR, containing the particulars of the projects / programmes approved by the Board for the financial year 2024-25 are given by way of Annexure III attached to this Report. It may also be noted that the Board has approved the projects or programmes to be undertaken by the SST and other eligible trusts for the year 2025-26, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and also monitoring and reporting mechanism for the projects or programmes, as required under the Companies Amendment Act, 2020.

Auditors

Statutory Auditors:

The Company at its thirtieth AGM held on 15th June 2022 re-appointed M/s V Sankar Aiyar & Co., Chartered Accountants, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, as statutory auditors of the Company to hold office, for the second term of five consecutive years, from the conclusion of the said AGM till the conclusion of 35th AGM, at such remuneration in addition to applicable taxes, out of pocket expenses, traveling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

The Statutory Auditors will continue to hold office for the 4th year in the second term of five consecutive years, from the conclusion of this AGM.

The Company has obtained necessary certificate under Section 141 of the Act 2013 conveying their eligibility for being statutory auditors of the Company for the year 2025-26.

Secretarial Auditor:

As required under Section 204 of the Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company and a report received from them is required to be enclosed along with the annual report of the Company.

Accordingly, M/s S Krishnamurthy & Co., Practising Company Secretaries, secretarial auditor of the Company, submitted their report for the year 2024-25.

Both the Statutory Auditors Report and Secretarial Audit Report are free from any qualification, reservation or adverse remark or disclaimer, and hence do not warrant any explanation or comments by the Board.

Statutory Statements

Deposits

The Company has not accepted any deposit from the public within the meaning of Section 76 of the Act 2013, for the year ended 31st March 2025.

Information on conservation of energy, technology absorption, foreign exchange etc:

The information is given in Annexure I to this report, in terms of the requirements of Section 134(3)(m) of the Act 2013 read with the Companies (Accounts) Rules 2014.

Material changes and commitments, if any, affecting the financial position of the company, having occurred since the end of the Year and till the date of the Report:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and to the date of the report.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company:

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

Employee's remuneration:

Details of employees receiving the remuneration as prescribed under Section 197 of the Act 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure II of the Report. In terms of first proviso to Section 136(1) of the Act, 2013 the Annual Report, excluding the aforesaid annexure is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company as mentioned in the Notice of AGM and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

Details of material related party transactions:

Details of material related parties under Section 188 of the Act 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Annexure IV to this report in the prescribed form.

Details of loans / guarantees / investments made:

As regards furnishing the details of loans and guarantees under Section 186 of the Act 2013 for the financial year 2024-25, the Company has not extended any guarantee or loans to other companies during the year under review.

Details of all investments made by the Company as at the end of the Financial year 2024-25 is available in note no. 5 to Notes on accounts.

Annual Return:

In terms of the requirements of Section 134(3)(a) of the Act, 2013 read with the Companies (Accounts) Rules, 2014, the Annual Return for the year 2024-25 in prescribed form is available in the Company's website in the following link https://www.sundaramautocomponents.com/Investor.html

Maintenance of cost records

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company.

Insolvency and Bankruptcy Code

There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Onetime settlement with any Bank or Financial Institution

No disclosure or reporting is required in respect of the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has duly constituted an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

Reporting of fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

Acknowledgement

The Directors gratefully acknowledge the continued support and co-operation received from TVS Motor Company Limited, the holding Company.

The Directors thank the suppliers, customers and bankers for their continued support and assistance. The Directors also wish to place on record the appreciation of the excellent work done by all the employees of the Company.

For and on behalf of the Board

Place : Chennai
Date: 22nd April 2025

Venu Srinivasan
Chairman

Annexure - I
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
(Pursuant to Section 134(3)(m) of the Companies Act, 2013)

A. CONSERVATION OF ENERGY

1.1 Measures taken in the year 2024-25

- Initiatives for alternate sourcing of power.
  - o Nil
- Projects undertaken to reduce energy consumption:
  - o Nil

1.2 Proposed measures for the year 2025-26 : Nil

2. Steps taken for utilizing alternate sources of energy during the year 2024-25

Nil

3. Capital investment- Energy conservation Equipment:

Nil

B. TECHNOLOGY ABSORPTION

- o Reducing the lead time to develop & implement the new products through standardization of raw materials, engaging with strategic mould suppliers and inhouse development of SPM

C. FOREIGN EXCHANGE ACTUAL EARNINGS AND OUTGO

Total foreign exchange earnings and out go	(Rs. In Cr)
(a) Earnings	2.03
(b) Out go	43.65

For and on behalf of the Board

Place : Chennai
Date: 22nd April 2025

Venu Srinivasan
Chairman

Annexure - III

Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

1. Brief outline on CSR Policy of the Company:

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Composition of CSR Committee: NA

3.		Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.	https://www.sundaramautocomponents.com/
4.		Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a)	Average net profit of the company as per section 135(5).	Rs. 19.06 Cr
	(b)	Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013.	Rs. 0.38 Cr
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(d)	Amount required to be set off for the financial year, if any	Nil
	(e)	Total CSR obligation for the financial year (5b+5c-5d).	Rs. 0.38 Cr
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs. 0.40 Cr
	(b)	Amount spent in Administrative Overheads	Nil
	(c)	Amount spent on Impact Assessment, if applicable	Not Applicable
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	Rs. 0.40 Cr

(e) 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) of the Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act, 2013		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
0.40 Cr	Not Applicable				

(f) Excess amount for set off, if any

Sl. No.	Particulars	(Amount in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.38 Cr
(ii)	Total amount spent for the financial year	0.40 Cr
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02 Cr
(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)]	0.02 Cr

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(in Rs.)

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135: Not Applicable

Place : Chennai
Date: 22nd April 2025

Venu Srinivasan
Chairman

Annexure - IV

FORM No. AOC - 2

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

   NIL

2. Details of material contract, arrangement or transaction at arm's length basis:

(a)	Name of the related party	TVS Motor Company Limited
(b)	Nature of relationship	Holding Company
(c)	Duration of the contracts/ arrangements/ transactions	2024-25
(d)	Date (s) of approval by the Board, if any:	28th March 2024

Nature of contracts/ arrangements/ transactions	Goods / Services	Salient terms of the contracts or arrangements or transactions	Amount of contract or arrangement (Rs. in Cr)
Sale	Plastic Components and Dies & Moulds	Mark-up on cost of raw materials and conversion cost	482.84
Availing of Services	Sharing of Common exps etc. & Canteen recovery and Rent on Mysore Plant	At cost	1.37

For and on behalf of the Board

Place : Chennai
Date: 22nd April 2025

Venu Srinivasan
Chairman

Form No. MR-3

Secretarial Audit Report for the financial year ended 31st March 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2014]

To,

The Members,
Sundaram Auto Components Limited [CIN: U29249TN1992PLC051417]
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006.

We have conducted a Secretarial Audit on compliance with applicable statutory provisions and adherence to good corporate practices by Sundaram Auto Components Limited ('the Company') during the financial year from 1st April 2024 to 31st March 2025 ('the year'/ 'the financial year' / 'the audit period'/ 'period under review'). The audit was conducted in a manner that provided a reasonable basis for evaluation of the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

1. Our verification of the books, papers, Minute books and other documents / records maintained by the Company and furnished to us in electronic form for our verification, forms and returns filed, and compliance related action taken by the Company during the year and also after the end of the year but before the issue of this audit report;

2. Compliance report on compliance with all laws applicable to the Company given by the Chief Executive Officer of the Company and taken on record by the Board of Directors; and

3. Representations made and information provided by the Company, its officers, agents and authorized representatives during our conduct of the Secretarial Audit.

In our opinion, during the audit period covering the financial year ended on 31st March 2025, the Company has complied with the statutory provisions listed hereunder and also has Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with Annexure – I.

1. Compliance with specific statutory provisions

We report that:

1.1. We have examined the books, papers, Minute books and other records maintained by the Company and furnished to us in electronic form for our verification, the forms, returns, reports, disclosures and information filed / submitted during the year, according to the applicable provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder; and

(ii) Secretarial Standards on Meetings of the Board of Directors (SS-1), and Secretarial Standards on General Meetings (SS-2), issued by The Institute of Company Secretaries of India ('Secretarial Standards').

1.2. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2025 but before the issue of this report, the Company, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, has generally complied with the applicable provisions of the Act and Rules and the Secretarial Standards as mentioned in paragraph 1.1 above.

1.3. We noted that, during / in respect of the year:

(i) The Company was not required to comply with the following laws, rules and regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms / returns under:

(a) Foreign Exchange Management Act, 1999, with respect to Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings;

(b) Securities Contracts (Regulation) Act, 1956, and the rules made thereunder;

(c) Depositories Act, 1996, and the Regulations framed thereunder;

(d) Regulations prescribed under the Securities and Exchange Board of India Act, 1992, and Listing agreements with stock exchanges.

(e) Secretarial Standards on Dividend (SS-3) and Secretarial Standards on Report of the Board of Directors (SS-4) (being non-mandatory).

(ii) There was no other law that was specifically applicable to the Company, considering the nature of its business.

2. Constitution of the Board and Board processes

We further report that:

2.1. Composition of the Board

(i) The Board of Directors of the Company is duly constituted, comprising of 1 (one) Executive Director and 3 (three) Non-Executive Non-Independent Directors including 1 (one) Woman Director, at the end of the year.

(ii) The Company, being a wholly-owned Indian subsidiary of M/s. TVS Motor Company Limited, was not required to appoint Independent Directors or constitute Audit Committee or Nomination and Remuneration Committee of its Board in terms of applicable provisions of the Act.

(iii) The Company, not being a material subsidiary of M/s. TVS Motor Company Limited in terms of Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was not required to appoint an Independent Director of the holding company as a Director on its Board.

(iv) The following change took place in the Board of Directors of the Company during the year, in accordance with Section 152(6) and other applicable provisions of the Act and the Rules made thereunder:

(a) Re-appointment of Dr. Lakshmi Venu (DIN: 02702020), Non-Executive Director, who retired by rotation at the 32nd Annual General Meeting held on 26th August 2024.

2.2. **Notice of Board meetings**

We noted that:

(i) Adequate notice was given to all the directors to plan their schedule for the Board Meetings. Notices of Board meetings were sent atleast 7 (seven) days in advance, or at a shorter notice for transacting urgent items of business in accordance with Section 173(3) of the Act;

(ii) Agenda and detailed notes on agenda were sent atleast 7 (seven) days before the Board meetings, other than meetings held at shorter notice for which agenda and detailed notes on agenda were sent at a shorter notice; and

(iiii) Agenda notes in respect of additional subjects and supplementary agenda notes and annexures in respect of some of the agenda items were either circulated separately or at the meeting.

2.3. We noted that, a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.4. We noted that, at the Board meetings held during the year:

(i) Majority decisions were carried through; and

(ii) No dissenting views were expressed by any director on any of the subject matters discussed, that were required to be captured and recorded as part of the Minutes.

3. Compliance mechanism

We noted that:

3.1 The Company has reasonably adequate systems and processes, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules and regulations.

4. Specific events /actions

We report that, the specific events and actions during the year, having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations and standards are as follows:

4.1. **Sale of business undertakings of the Company**

The Board of Directors at their meeting held on 2nd December 2024, accorded approval for Slump sale of injection moulded plastic components solution division of the Company to Pricol Precision Products Private Limited, a wholly-owned subsidiary of Pricol Limited. The members also accorded approval in terms of Section 180(1)(a) of the Act, for the transaction, by way of special resolution passed at the Extra-ordinary General Meeting held on 2nd December 2024. Business transfer agreement (BTA) in respect of the transaction was executed on 2nd December 2024, for consideration to be determined in accordance with the BTA. The Board of Directors have also accorded their approval for slump sale of seating business to Uno Minda Limited.

4.2. **Proposed amalgamation with holding company**

The Board of Directors at their meeting held on 24th January 2025, approved the draft Scheme of Amalgamation of the Company with TVS Motor Company Limited, its holding company, in terms of Sections 230 to 232 of the Act. The Scheme is subject to approval of the respective shareholders and creditors of the Company and TVS Motor Company Limited, and requisite statutory and regulatory approvals.

For Sriram Krishnamurthy & Co
(formerly known as S. Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification No. P1994TN045300]
(Peer Review Certificate No.739/2020)

SHARANYA SRIRAM,
Partner
Membership No.F10252
Certificate of Practice No: 12731
UDIN: F010252G000176981

Date : 22nd April 2025
Place : Chennai

Annexure - I to Secretarial Audit Report of even date

To,

The Members,
Sundaram Auto Components Limited, [CIN:U29249TN1992PLC051417]
"Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600 006

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2025 is to be read along with this letter.

1. **Responsibility of the Management:**

   The Company's management is responsible for maintenance of secretarial records, making the requisite statutory / regulatory disclosures / filings and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards.

2. **Auditors' responsibility:**

   Our responsibility as the Secretarial Auditors is to express an opinion on the compliance with the applicable laws and maintenance of records based on our audit.

3. The audit was conducted in accordance with applicable standards issued by The Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

4. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

5. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2025 but before the issue of this report.

6. We have considered compliance related actions taken by the Company based on independent legal / professional opinion / certification obtained as being in compliance with law, wherever there was scope for multiple interpretations.

7. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

8. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company, as they are subject to audit by the Auditors of the Company appointed under Section 139 of the Companies Act, 2013.

9. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.

10. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

11. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some mis-statements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

For Sriram Krishnamurthy & Co
(formerly known as S. Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification No. P1994TN045300]
(Peer Review Certificate No.739/2020)

SHARANYA SRIRAM,
Partner
Membership No.F10252
Certificate of Practice No: 12731
UDIN: F010252G000176981

Date : 22nd April 2025
Place : Chennai

Independent Auditors' Report to the members of Sundaram Auto Components Limited, Chennai for the year ended 31st March 2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sundaram Auto Components Limited ("the Company"), which comprise the balance sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of including Cash Flows for the year then ended, and notes to the financial statements, a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit, Other Comprehensive Income, Changes in Equity and 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial Statements.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management and Discussion analysis, Board's Report including annexures to Board's Report, Business Responsibility report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the financial statements.

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Act, we give in the Annexure 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 and proper returns adequate for the purposes of our audit of the branches have been received from the branches not visited by us;

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt

with by this Report are in agreement with the books of accounts and with the returns received from the branches not visited by us;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) 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), 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 36(i) to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. i. Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (refer note no ----)), 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(is), 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.

ii. Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (refer note no ----), 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

iii. Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (i) and (ii) above, contain any material misstatement.

e. The dividends declared and paid by the Company during the year and until the date of this audit report are in accordance with Section 123 of the Companies Act, 2013.

f. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been Preserved by the company as per the statutory requirement for record retention.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act.

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 Sec 197(16) which are required to be commented upon by us.

For V.SANKAR AIYAR & CO.
Chartered Accountants
ICAI Regn. No.109208W

UDIN	25023116BNINUW9882

S. VENKATARAMAN
PARTNER
Membership No.023116

Place: Chennai
Date: 22nd April 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2025 (Referred to in our report of even date)

i. a) A. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars of Intangible assets.

b) The company has a regular program of physically verifying all the Property, Plant and Equipment at its plants/ offices in a phased manner over a period of 2 years, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies as compared to book records were noticed on such verification.

c) According to the information and explanations given to us and the records of the Company examined by us, 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) are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

e) According to the information and explanation given to us and the records of the Company examined by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. a) As informed to us, the management has conducted physical verification of inventory [including inventory lying with third parties] at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies noticed on such physical verification were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account.

b) According to the information and explanations given to us and the records of the Company examined by us, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. a) According to the information and explanation given to us and the records of the Company examined by us, during the year the Company:

i. Has made investments in companies.
ii. Has not made investments in firms, Limited Liability Partnerships or any other parties.
iii. Has not provided loans, advances in the nature of loans, guarantee and security to companies, firms, Limited Liability Partnerships or any other parties. There are no opening balance in loans and advances in the nature of loans. Therefore, the requirement to report under clauses (iii) (b) to (f) of para 3 of the Order are not applicable to the Company.

b) According to the information and explanations given to us and the records of the Company examined by us, the investments made are not prejudicial to the Company's Interest.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Investments made.

The Company has not granted any loan or provided securities or guarantees during the year.

v. According to the information and explanation given to us and the records of the Company examined by us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act in respect of certain products manufactured by the Company. Therefore, the provisions of clause(vi) of the order not applicable to the company.

vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs duty and Cess and other material statutory dues as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs duty and Cess were in arrears as at 31st March 2025 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 the records of the Company examined by us, there are no dues of Income-Tax, Customs Duty, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Excise Duty and Cess which have not been deposited on account of dispute as at 31st March 2025 other than the following on account of dispute, as given below.

Name of the statue/ (Nature of dues)	Period of Due	Demand Amount – Rs. In Crores*	Amount paid under protest/ Deposit against appeal – Rs. In Crores	Forum where dispute is pending
Income Tax Act, 1961	FY 2008-09 to FY 2018-19	3.41	-	Assessing Officer and Commissioner of Income Tax (Appeals)(CIT(A)), Chennai.
Goods and Service Tax, 2017	FY 2017-18	2.16	0.10	GST Appellate Authority, Salem.
Goods and Service Tax, 2017	FY 2017-18	11.80	1.18	Appeal order rejected by Additional commissioner (ST), Chittoor, AP. Appeal to be filed with GST Appellate Tribunal, on its formation.
Goods and Service Tax, 2017	FY 2017-18	34.62	15.93	To be filed to appellate authority
Goods and Service Tax, 2017	FY 2017-18	1.29	-	Writ petition filed in the Hon'ble AP High Court via Ref. Writ Petition No. 28050/2023
Goods and Service Tax, 2017	FY 2019-20	0.42	-	Appeal application filed (APL-01) - JC (Appeal), Salem

* excluding interest at applicable rates thereon

viii. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Therefore, there are no unrecorded income to be recorded in the books of accounts during the year.

ix. On the basis of verification of records, the procedures performed by us, on an overall examination of the financial statements of the Company and according to the information and explanations given to us,

a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) the Term loans were applied for the purpose for which the loans were obtained.

d) the Company has not utilized funds raised on short-term basis for long-term purposes.

e) & f) the Company does not have subsidiaries, associates or joint ventures. Hence, the requirement to report on Clause 3 (ix) (e) and (f) of the order is not applicable to the company.

x. a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) During the course of our examination of the books and records of the Company, carried out based upon the generally accepted audit procedures performed for the purpose of reporting the true and fair view of the financial statements, to the best of our knowledge and belief and as per the information and explanations given to us by the Management, and the representations obtained from the management, no material fraud by the Company and on the Company have been noticed or reported during the year.

b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. According to the information and explanations given to us and based on the information given to us and records verified by us, Secretarial Auditor has not filed report in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The Company does not have a Cost Auditor.

c) According to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, based on verification of the records of the Company, transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

xvi. According to the information and explanations given to us and based on the information given to us and records verified by us,

a) the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

d) The Group does not have more than one Core Investment Company as a part of the Group and hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 37(i) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 a) According to the information and explanations given to us,

In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second provision to sub section 5 of section 135 of the Act. This matter has been disclosed in note no. 37(iii) to the financial statements.

b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Companies Act. This matter has been disclosed in note no. 36(iii) to the financial statements.

xxi. The Company is not required to prepare a consolidated financial statement. Therefore, clause (xxi) of para 3 of the order is not applicable to the Company.

For V.SANKAR AIYAR & CO.
Chartered Accountants
ICAI Regn. No.109208W

UDIN	25023116BNINUW9882

S. VENKATARAMAN
PARTNER
Membership No.023116

Place: Chennai
Date: 22nd April 2025

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2025 (Referred to in our report of even date)

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

1. We have audited the internal financial controls with reference to financial statements of Sundaram Auto Components Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Companies Act, 2013.

Auditor's Responsibility

3. 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

6. 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 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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial Control with reference to financial Statements and such internal financial controls with reference to financial Statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V.SANKAR AIYAR & CO.
Chartered Accountants
ICAI Regn. No.109208W

UDIN	25023116BNINUW9882

S. VENKATARAMAN
PARTNER
Membership No.023116

Place: Chennai
Date: 22nd April 2025

Balance Sheet as at 31st March 2025

Rupees in crores

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, Plant and Equipment	2	56.08	215.60
Capital work in progress	3	-	2.58
Goodwill	4(a)	-	2.20
Intangible assets	4(b)	-	11.47
Financial assets			
i. Investments	5	0.48	3.12
ii. Other financial assets	6	-	0.32
Other non-current assets	7	2.80	5.07
Total non-current assets		**59.36**	**240.36**
Current assets			
Inventories	8	-	44.96
Financial assets			
i. Trade receivables	9	-	96.79
ii. Cash and cash equivalents	10	30.89	4.44
iii. Other financial assets	11	2.39	0.16
Other current assets	12	5.02	14.24
Total current assets		**38.30**	**160.59**
Total Assets		**97.66**	**400.95**
Equity and liabilities			
Equity			
Equity share capital	13	11.94	11.94
Other equity	14	57.08	134.17
Total equity		**69.02**	**146.11**
Liabilties			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	-	43.64
ii. Lease liabilities		1.42	2.19
Provision - Employee benefit obligations	16	3.71	5.40
Deferred tax liabilities (Net)	17	10.31	21.18
Total non-current liabilities		**15.44**	**72.41**
Current liabilities			
Financial liabilities			
i. Borrowings	18	-	44.46
ii. Lease liabilities		0.11	0.17
iii. Trade payables	19		
a.Total outstanding dues of Micro and Small enterprises		0.89	13.39
b.Total outstanding dues of other than (ii)(a) above		8.15	86.02
iv. Other financial liabilities	20	-	0.44
Other current liabilities	21	2.96	36.58
Provision - Employee benefit obligations	16	1.09	1.37
Total current liabilities		**13.20**	**182.43**
Total liabilities		**28.64**	**254.84**
Total equity and liabilities		**97.66**	**400.95**
Material Accounting Policies	1	-	-
(See accompanying notes to the financial statements)			

As per our report annexed

Venu Srinivasan
Chairman
DIN No: 00051523

Rajesh Oommen
Director & Chief Executive Officer
DIN No: 08588098

For V .Sankar Aiyar & Co
Chartered Accountants
Firm Regn. No. 109208W

Place: Chennai
Date: 22-05-2025

K. Gopala Desikan
Chief Financial Officer

G Sathyan
Company Secretary

S. Venkataraman
Partner
Membership No. 023116

Statement of Profit and Loss for the year ended 31st March 2025

Rupees in crores

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	22	-	-
Other income	23	0.97	0.41
Total income		**0.97**	**0.41**
Expenses			
Cost of materials consumed	24	-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	-	-
Employee benefits expense	25	0.81	0.91
Finance costs	26	0.18	0.21
Depreciation and amortisation expense		3.31	3.58
Other expenses	27	3.65	2.17
Total expenses		**7.95**	**6.86**
Profit/ (Loss) before exceptional items from Continuing operations		**(6.98)**	**(6.45)**
Exceptional items - Gain / (Loss)		-	-
Tax expenses on profit from Continuing operations	28	-	-
Current tax		-	-
Deferred tax		(0.69)	(0.76)
Profit/(Loss) after tax from Continuing operations		**(6.30)**	**(5.69)**
Discontinued operations			
Profit before tax from Discontinued operations		22.48	35.28
Exceptional items (net)		-	-
Tax expenses on profit from Discontinued operations	28		
Current tax		2.63	5.79
Deferred tax		(10.05)	4.55
Profit/(Loss) for the year from discontinued operations		**29.91**	**24.94**
Profit/(Loss) for the year		**23.61**	**19.25**
Other comprehensive income			
A. Items that will not be reclassified to profit or loss		-	-
Remeasurement of post employment benefit obligations arising on account of actuarial losses		(0.52)	1.19
Change in fair value of equity instruments		0.21	(0.52)
Income tax relating to these items		(0.12)	(0.53)
B. Items that will be reclassified to profit or loss			
		-	-
Fair value changes on cash flow hedges		-	-
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		**(0.43)**	**0.14**
Total comprehensive income for the period		**23.18**	**19.39**
Earnings per equity share of Rs. 10 each fully paid up			
Basic and Diluted earnings per share (in Rupees)- Continued operations	33	(5.27)	(1.58)
Basic and Diluted earnings per share (in Rupees)- Discontinued operations		25.05	6.91
Material Accounting Policies	**1**		
(See accompanying notes to the financial statements)			

As per our report annexed

Venu Srinivasan
Chairman
DIN No: 00051523

Rajesh Oommen
Director & Chief Executive Officer
DIN No: 08588098

For V .Sankar Aiyar & Co
Chartered Accountants
Firm Regn. No. 109208W

Place: Chennai
Date: 22-05-2025

K. Gopala Desikan
Chief Financial Officer

G Sathyan
Company Secretary

S. Venkataraman
Partner
Membership No. 023116

Statement of Cash Flow for the year ended 31st march 2025

Rupees in crores

Details	Year Ended March 31,2025		Year Ended March 31,2024	
Profit/(Loss) before tax		(6.30)		(5.69)
Adjustments for				
Depreciation and amortisation expense	3.31		3.58	
Finance cost	0.18		0.21	
		3.31		3.58
Net cash inflow from operating activities		**(2.99)**		**(2.11)**
Net cash outflow from investing activities		**-**		**-**
Net cash inflow (outflow) from financing activities				
Finance cost	(0.18)		(0.21)	
Lease liability paid	(0.31)	(0.49)	(0.23)	(0.44)
Net increase (decrease) in cash and cash equivalents from Continued operations		**(3.47)**		**(2.55)**
Net cash flow transferred from Discontinued operations to Continued operations		**34.36**		**6.99**
Cash and cash equivalents at the end of the year		**30.89**		**4.44**
Discontinued operations				
Cash and cash equivalents at the beginning of the year		**4.44**		**(1.85)**
Net cash generated from operating activities (A)	20.73		58.97	
Net cash (used) in Investing activities (B)	1.77		288.91	
Proceeds from sale of Moulding and Seating business	210.41		-	
Net cash generated from/used in Financing activities (C)	(202.99)		(339.04)	
Net cash flow generated from Discontinued operations (A+B+C)		**29.92**		**8.84**
Net cash flow transferred from Discontinued operations to Discontinued operations		**34.36**		**6.99**

Particulars	As at 01-04-2024	Cash flow	Non cash changes fair value adjustment	Foreign exchange movement	As at 31-03-2025
Non current borrowings (including current maturities)	50.89	(53.48)	2.59	-	-
Current borrowings	37.21	(37.21)	-	-	-

As per our report annexed

Venu Srinivasan
Chairman
DIN No: 00051523

Rajesh Oommen
Director & Chief Executive Officer
DIN No: 08588098

For V .Sankar Aiyar & Co
Chartered Accountants
Firm Regn. No. 109208W

Place: Chennai
Date: 22-05-2025

K. Gopala Desikan
Chief Financial Officer

G Sathyan
Company Secretary

S. Venkataraman
Partner
Membership No. 023116

Statement of Changes in Equity

Rupees in crores

A.

EQUITY SHARE CAPITAL	Total
Balance as at 01-04-2024	**44.57**
Changes in equity share capital due to prior period items	-
Restated balance as at 01.04.2023	44.57
Changes in equity share capital	(32.63)
Balance as at 31-03-2024	**11.94**
Changes in equity share capital due to prior period items	-
Restated balance as at 01.04.2024	11.94
Changes in equity share capital	-
As at 31-03-2025	**11.94**

B. OTHER EQUITY

Particulars	Reserves and Surplus			Other Reserves		Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Equity Instruments Fair Value through Other Comprehensive Income	Hedging Reserve	
Balance as at April 1, 2023	**8.05**	**294.32**	**91.44**	**0.31**	**-**	**394.12**
Profit for the period 2023-24	-	-	19.25	-	-	19.25
Other comprehensive income for the year 2023-24	-	-	0.66	(0.52)	-	0.14
Reduction of Share premium	-	(277.38)	-	-	-	(277.38)
Sub-total A	**8.05**	**16.94**	**111.35**	**(0.21)**	**-**	**136.13**
Less : Distribution to shareholders						
2023-24 first and final dividend paid	-	-	1.96	-	-	1.96
Dividend distribution tax paid	-	-	-	-	-	-
Sub-total B	**-**	**-**	**1.96**	**-**	**-**	**1.96**
Balance as at March 31, 2024 C = (A - B)	**8.05**	**16.94**	**109.39**	**(0.21)**	**-**	**134.17**
Profit for the period 2024-25	-	-	23.61	-	-	23.61
Other comprehensive income for the year 2024-25	-	-	(0.64)	0.21	-	(0.43)
Sub-total D	**8.05**	**16.94**	**132.36**	**-**	**-**	**157.35**
Less : Distribution to shareholders						
2024-25 first and final dividend paid	-	-	100.27	-	-	100.27
Sub-total E	**-**	**-**	**100.27**	**-**	**-**	**100.27**
Balance as at March 31, 2025 F = (D - E)	**8.05**	**16.94**	**32.09**	**-**	**-**	**57.08**
Nature and purpose of reserves:						

Security premium reserve: This is used to record premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013
General reserve: This is available for distribution to share holders.
Retained Earnings : This represents profit that the Company has earned till date less any transfer to General Reserves and dividend distributed to Shareholders.

As per our report annexed

Venu Srinivasan
Chairman
DIN No: 00051523

Rajesh Oommen
Director & Chief Executive Officer
DIN No: 08588098

For V .Sankar Aiyar & Co
Chartered Accountants
Firm Regn. No. 109208W

Place: Chennai
Date: 22-05-2025

K. Gopala Desikan
Chief Financial Officer

G Sathyan
Company Secretary

S. Venkataraman
Partner
Membership No. 023116

Notes to Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

a) Brief description of the Company

Sundaram Auto Components Limited ("the reporting entity" or referred to as "the Company") is a public limited company incorporated and domiciled in India. The registered office is located at Chaitanya, No.12, Khadar Nawaz khan Road, Nungambakkam Chennai 600 006, Tamil Nadu, India.

The Company manufactures injection moulded plastics components used in automobile industry. The Company has manufacturing plants located at Chennai and Hosur in Tamil Nadu, Mysore in Karnataka, Bhiwadi in Rajasthan, Nalagarh in Himachal Pradesh and Sanand in Gujarat.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

These financial statements for the year ended 31st March 2025 have been approved and authorized for issue by Board of Directors at its meeting held 22nd April 2025

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Significant Estimates and judgments

i. Estimation of fair value of unlisted securities- Refer Note

ii. 32

iii. Defined benefit obligation - Refer Note 16

iv. Estimation of useful life of Property, Plant and Equipment - Refer Note 1(f) and 1(g)

v. Estimation and evaluation of provisions and contingencies relating to tax litigations - Refer Note 36.

e) Revenue recognition

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

i. Performance obligation:

The revenue is recognized on fulfilment of performance obligation.

ii. Sale of products:

Revenue from sale of products is recognised when the products are delivered to the customer or when delivered to the designated carrier and when risks and rewards of ownership pass to the customers, as per terms of contract.

Revenue is measured and recognized at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates.

iii. Dividend income:

Dividend from investments is recognised when the right to receive the same is established.

iv. Interest income:

Interest income is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

v. Significant judgements:

There are no significant judgements made by the Company in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract.

f) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other items of property plant and equipment (Furniture's, fixtures, vehicles and buildings etc.) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Such assets are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use. However, cost excludes Goods and Services Tax to the extent of credit of tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / (losses).

g) Depreciation and amortization

i. Depreciation on Property, Plant and Equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shift) as evaluated by a Chartered Engineer, on straight line method, in accordance with Part A of Schedule II to the Companies Act 2013. The useful life of the Property, plant and equipment are reviewed annually with respect to estimates and changes if any are, being accounted for on a prospective basis.

ii. Keeping in mind the rigorous and periodic maintenance program followed by the Company, the estimated useful life of the tangible fixed assets as assessed by the Chartered Engineer and followed by the Company is given below:

Description	Years
Factory building and other buildings	30
Material handling equipment	5 to 10
Plant and Equipment	10 to 15
Electrical equipment	3 to 15
Furniture and fixtures	3 to 15
Laboratory equipment	3 to 15
Computers and information systems	3
Office equipment	5 to 15
Mobile phones	2
Vehicles	5

iii. Tools and dies used for manufacture of components are depreciated based on quantity of components manufactured and the life of tools and dies, subject to a maximum of 3-5 years.

iv. Residual values and useful lives are reviewed, and depreciation is accordingly charged, at the end of each reporting period. (Presently, the company retains 5% of the cost of the asset as its residual value other than mobile phone)

v. On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

vi. Depreciation in respect of tangible assets costing less than Rs.5,000/- is

provided at 100%.

h) Intangible assets

i) **Software and License fee**

Intangible assets acquired are recorded at their acquisition cost and are amortised over its useful life, viz., 2 years in the case of software and license fee.

ii) **Goodwill**

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

iii) **Internally-generated intangible assets:**

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 3 to 5 years in the case of Design, Development and Technical knowhow. The useful life of the Intangible assets are reviewed annually with respect to estimates and changes if any are, being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised as profit or loss with in other income /expenses.

i) Transactions in foreign currencies

i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

iii) Non-monetary items denominated in foreign currency such as investments, fixed assets, etc., are valued at the exchange rate prevailing on the date of transaction.

iv) Exchange differences arising on settlement of transactions are recognised as income or expense in the year in which they arise.

j) Hedge accounting

Derivatives are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 32. Movements in the hedging reserve in shareholders' equity are shown in Statement of Changes in Equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss

k) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of Raw materials, components, stores, spares, are ascertained on a moving average basis.

ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs are assigned to individual items of inventory based on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Materials held for use in production of finished goods are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving materials, obsolescence, defective inventories are provided in the books if more than one year of age.

l) Employee benefits

i) Short term obligations:

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

ii) Other long-term employee benefit:

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

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for its senior managers; and

b) Defined contribution plan such as provident fund.

Pension and gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Provident fund:

The company regularly contributes the amounts due to the Regional Provident Fund Commissioner.

iv) Bonus plans:

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

m) Taxes on Income

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable statement of profit and loss. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when they relate to income taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward to the extent that there is a reasonable certainty of recovering/utilizing such unclaimed tax credits.

n) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes available.

o) Provisions and contingent liabilities

i) Provisions:

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The estimated liability for product warranties is recorded when products are sold based on technical evaluation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that may, but probably will not require a cash outflow, the same is disclosed as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

q) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third party financing, and

- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

r) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

s) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are displayed within borrowings in current liabilities in the balance sheet.

t) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

u) Investments and Other financial assets

i) Classification

The Company has classified as follows:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortized cost.

The classification was based on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement – financial assets: -

Initially these are recognized at cost.

In addition to transaction cost attributable to such asset, corresponding effect on fair valuation is recognized in statement of profit and loss.

Debt Instruments:

Debt instruments are initially recognized at cost.

Debt instruments which are initially recognized at cost are subsequently measured based on the company's business model for managing the asset and cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments.

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through statement of profit and loss:

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income (FVTOCI) are measured at fair value through statement of profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through statement of profit and loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all investments in equity (except of the subsidiaries/associate) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments are recognised in statement of profit and loss as other income when the Company's right to receive payments is established.

Where the Company elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately. Where the Company elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Investment in subsidiary / associate:

Investment in subsidiary/associate are measured at cost less provision for impairment.

iii) Impairment of financial assets

The company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment mythology applied depends on whether there has been significant increase in credit risk. Note 30 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

iv) De-recognition of financial assets

A financial asset is de-recognised only when:

a) the Company has transferred the rights to receive cash flows from the financial asset or

b) the Company retains the contractual rights to receive the cash flows of the financial asset, but a contractual obligation exists to pay the such flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in statement of profit and loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

w) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction, production or erection of a qualifying asset are capitalized if such qualifying asset takes a substantial period of time to get ready for its intended use. Substantial period is determined on a case to case basis depending on the nature of the asset and time involved in putting them on ready for use. Other borrowing costs are expensed in the period in which they are incurred.

x) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

y) Business Combinations:

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the

- Fair values of the assets acquired;
- Liabilities incurred to the former owners of the acquired business;

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, measured initially at their fair values at the acquisition date.

z) Earnings Per Share:

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for new equity shares issued during the year (note 33)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(iii) Other Comprehensive Income is not considered for computing earnings per share.

aa) Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to Financial Statements - *(continued)*

Rupees in crores

2. Property, Plant & Equipment

Description	Property, Plant & Equipment								
	Free hold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Computers	Vehicles	Right of Use Asset	Total
Gross Carrying Amount									
As at 01-04-2024	5.15	83.13	250.54	10.15	2.35	3.55	1.70	13.16	369.73
Additions	-	-	15.36	0.05	0.08	0.02	0.09	0.13	15.73
Sub-total	**5.15**	**83.13**	**265.90**	**10.20**	**2.43**	**3.57**	**1.79**	**13.29**	**385.46**
Sales / Deletion	3.21	36.72	232.62	10.04	2.30	3.45	0.36	11.51	300.21
Closing Gross Carrying Amount	**1.94**	**46.41**	**33.28**	**0.16**	**0.13**	**0.12**	**1.43**	**1.78**	**85.25**
Accumulated Depreciation									
Upto 31-03-2024	-	20.60	121.06	5.25	1.66	2.70	0.62	2.24	154.13
For the year FY 2024-25		2.73	14.89	0.63	0.10	0.23	0.40	0.31	19.29
Sub-total	**-**	**23.33**	**135.95**	**5.88**	**1.76**	**2.93**	**1.02**	**2.55**	**173.42**
Withdrawn on assets sold/deleted		10.27	121.68	5.75	1.68	2.83	0.10	1.94	144.25
Closing accumulated depreciation	**-**	**13.06**	**14.27**	**0.13**	**0.08**	**0.10**	**0.92**	**0.61**	**29.17**
Net Carrying Amount									
As at 31-03-2025	**1.94**	**33.35**	**19.01**	**0.03**	**0.05**	**0.02**	**0.51**	**1.17**	**56.08**
Gross Carrying Amount									
As at 01-04-2023	5.15	82.76	243.67	9.36	2.31	3.07	0.52	13.16	360.00
Additions	-	0.37	12.31	0.79	0.05	0.55	1.34	-	15.41
Sub-total	5.15	83.13	255.98	10.15	2.36	3.62	1.86	13.16	375.41
Sales / deletion	-	-	5.44	-	0.01	0.07	0.16	-	5.68
IND AS 116 Transition	-	-	-	-	-	-	-		-
Closing Gross Carrying Amount	**5.15**	**83.13**	**250.54**	**10.15**	**2.35**	**3.55**	**1.70**	**13.16**	**369.73**
Accumulated Depreciation		49.78							
Upto 31-03-2023	-	17.57	108.74	4.36	1.50	2.54	0.46	1.91	137.08
For the year FY 2023-24	-	3.03	17.15	0.89	0.16	0.22	0.32	0.33	22.10
Sub-total	-	20.60	125.89	5.25	1.66	2.76	0.78	2.24	159.18
Withdrawn on assets sold/deleted	-	-	4.83	-	-	0.06	0.16	-	5.05
Closing accumulated depreciation	**-**	**20.60**	**121.06**	**5.25**	**1.66**	**2.70**	**0.62**	**2.24**	**154.13**
Net Carrying Amount									
As at 31-03-2024	**5.15**	**62.53**	**129.48**	**4.90**	**0.69**	**0.85**	**1.08**	**10.92**	**215.60**

Notes to Financial Statements - *(continued)*

Rupees in crores

3. Capital Work-In-Progress

Description	As at March 31, 2025	As at March 31, 2024
Capital work in progress (At cost)		
(a) Building	-	2.01
(b) Plant & equipment	-	0.57
(c) Pre-operative expense	-	-
Total	**-**	**2.58**

Borrowing cost capitalised during the year is Nil (last year 0.37 Cr)

Ageing for capital work-in-progress as at March 31, 2025 is as follows

Particulars	Amount in CWIP for a year ended on 31 March 2025				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

Ageing for capital work-in-progress as at March 31, 2024 is as follows

Particulars	Amount in CWIP for a year ended on 31 March 2024				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.53	1.05	-	-	2.58

There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

4a. Goodwill

Description	Total
Gross Carrying Amount	
As at 01-04-2024	2.20
Additions	-
Sub-total	**2.20**
Sales / deletion	2.20
Closing Gross Carrying Amount	**-**
Accumulated amortisation	
Upto 31-03-2024	-
For the year	-
Sub-total	-
Withdrawn on assets sold/deleted	-
Closing accumulated amortization	**-**
Net Carrying Amount	
As at 31-03-2025	**-**
Gross Carrying Amount	
As at 01-04-2023	2.20
Additions	-
Sub-total	2.20
Sales / deletion	-
Closing Gross Carrying Amount	**2.20**
Accumulated amortisation	
Upto 31-03-2023	-
For the year	-
Sub-total	-
Withdrawn on assets sold/deleted	-
Closing accumulated amortisation	**-**
Net Carrying Amount As at 31-03-2024	**2.20**

Notes to Financial Statements - *(continued)*

Rupees in crores

4.b Other Intangible Assets	**-**	**-**	**-**

Description	Software	Devlopment Cost	Total
Gross Carrying Amount			
As at 01-04-2024	1.47	11.92	13.39
Additions	-	5.57	5.57
Sub-total	**1.47**	**17.49**	18.96
Sales / deletion	1.47	17.49	18.96
Closing Gross Carrying Amount	**-**	**-**	**-**
Accumulated amortisation			
Upto 31-03-2024	1.47	0.45	1.92
For the year	-	2.06	2.06
Sub-total	1.47	2.51	3.98
Withdrawn on assets sold/deleted	1.47	2.51	3.98
Closing accumulated amortization	**-**	**-**	**-**
Net Carrying Amount			
As at 31-03-2025	**-**	**-**	**-**
Gross Carrying Amount			
As at 01-04-2023	1.47	-	1.47
Additions	-	11.92	11.92
Sub-total	1.47	11.92	13.39
Sales / deletion	-		-
Closing Gross Carrying Amount	**1.47**	**11.92**	**13.39**
Accumulated amortisation			
Upto 31-03-2023	1.47	-	1.47
For the year	-	0.45	0.45
Sub-total	1.47	0.45	1.92
Withdrawn on assets sold/deleted	-	-	-
Closing accumulated amortisation	**1.47**	**0.45**	**1.92**
Net Carrying Amount			
As at 31-03-2024	**-**	**11.47**	**11.47**

Notes to Financial Statements - *(continued)*

5 Investments

Sl. No.	Particulars	Holding/ Subsidiary/ Associate	No. of shares / units		Face Value	Currency	Rupees in crores	
			As at 31-03-2025	As at 31-03-2024			As at 31-03-2025	As at 31-03-2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(A)	**Investment in Equity Instruments Fair valued through OCI:**							
	Unquoted:							
(i)	Green Infra Wind Energy Theni Limited		-	34,34,477	10	INR	-	2.01
(ii)	Green Infra Wind Energy Generation Limited		-	8,40,000	10	INR	-	0.13
(ii)	Atria wind power (chitradurga) P Ltd		-	80,948	100	INR	-	0.51
	Total value of Equity Instruments (A)						**-**	**2.65**
(B)	**Other non-current Investments valued at amortized cost:**							
	Unquoted:							
(i)	Life Insurance Corporation Pension Policy, Mumbai					INR	0.48	0.47
(ii)	Investment in Zero coupon bonds	Holding Company	-	-	1,00,00,000	INR	-	-
	Total value of other non- current Investment (B)						**0.48**	**0.47**
	Total (A+B)						**0.48**	**3.12**
	Aggregate amount of quoted investments and market value thereof						-	-
	Aggregate amount of unquoted investments						0.48	3.12
	Aggregate amount of impairment in value of investments						-	-
	Total						**0.48**	**3.12**

(All Investments are fully paid up)

Notes to Financial Statements - *(continued)*

Rupees in crores

		As at March 31, 2025	As at March 31, 2024
6	**Financial Assets - Others**		
	Others		
	Security deposits	-	0.32
	Total other financial assets	**-**	**0.32**
7	**Other non-current assets**		
	Capital advances	-	0.48
	Advances other than capital advances:		
	Electricity Deposit	2.06	3.90
	Other Advances:		
	Prepaid Expenses	-	0.22
	IT Recoverable - (Advance income tax net of provision)	0.74	0.47
	Total other non-current assets	**2.80**	**5.07**

		As at March 31, 2025	As at March 31, 2024
8	**Inventories**		
	Raw materials and components	-	23.36
	Goods in Transit - - Raw materials and components	-	3.17
	Work-in-process	-	9.59
	Finished goods	-	7.92
	Stores and spares	-	0.92
	Total Inventories	**-**	**44.96**

Refer note 1 for Inventory Valuation. The cost of inventories recognized as an expense during the year is disclosed in Note No.24 and it includes cost of inventories recognized as an expense/(gain) of Nil during the current year and previous year Rs (0.08) crore in respect of write-downs of inventory to net realisable value, slow and non moving items

		As at March 31, 2025	As at March 31, 2024
9	**Trade receivables**		
	Secured, considered good	-	-
	Unsecured, considered good	(0.00)	97.18
		-	97.18
	Less: Loss allowance	-	(0.39)
	Total	**-**	**96.79**

Ageing for trade receivables - billed – non-current outstanding as at March 31, 2025 is as follows

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii)Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Less: Loss allowance							-
Trade Receivables- Billed							-
Trade Receivables- Unbilled							
Total - Trade Receivables							-

Ageing for trade receivables - billed – non-current outstanding as at March 31, 2024 is as follows

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	80.94	7.88	0.03	-	-	-	88.85
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.18	0.09	0.08	0.04	0.39
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	80.94	7.88	0.21	0.09	0.08	0.04	89.24
Less: Loss allowance							(0.39)
Trade Receivables- Billed							88.85
Trade Receivables- Unbilled							7.94
Total - Trade Receivables							96.79

Balances includes balance with related parties (refer note no.29(c)) for trade payables

Notes to Financial Statements - *(continued)*

Rupees in crores

		As at March 31, 2025	As at March 31, 2024
10	**Cash and cash equivalents**		
	Balances with banks	10.85	4.43
	Deposits with maturity of less than three months	20.04	-
	Cash on hand	-	0.01
	Total cash and cash equivalents	**30.89**	**4.44**
11	**Other financial Assets**		
	Employee advances	-	0.16
	Other receivables	2.39	-
	Total other financial assets	**2.39**	**0.16**

		As at March 31, 2025	As at March 31, 2024
12	**Other current assets**		
	GST/Sales tax / IT Receivables	4.24	2.55
	Other Advances:		
	Prepaid expense	0.07	2.00
	Advance to suppliers	0.06	8.26
	Others		
	Claims and other receivables	6.37	3.20
	Less: Loss allowance	(5.72)	(1.78)
	Net Claims and other receivables	0.65	1.42
	Export Incentive Receivable	-	0.02
	Total other current assets	**5.02**	**14.24**

13 SHARE CAPITAL

(a) Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs. In Crores	Number	Rs. In Crores
Authorised:				
Equity shares of Rs.10/- each	5,00,00,000	50.00	5,00,00,000	50.00
Issued, subscribed and fully paid up:				
Equity shares of Rs.10/- each	1,19,37,422	11.94	1,19,37,422	11.94
Total	**1,19,37,422**	**11.94**	**1,19,37,422**	**11.94**

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs. In Crores	Number	Rs. In Crores
Shares outstanding at the beginning of the year	1,19,37,422	11.94	4,45,69,000	44.57
Shares issued during the year	-	-	-	-
Share reduction during the year	-	-	(3,26,31,578)	(32.63)
Shares outstanding at the end of the year	**1,19,37,422**	**11.94**	**1,19,37,422.00**	**11.94**

(c) (i) Rights and preferences attached to equity share:

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

(ii) There are no restrictions attached to equity shares.

(d) Shares held by holding/ultimate holding/subsidiaries/associates of holding company at the end of the year

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Motor Company Limited, Chennai and by its six nominees	Equity	1,19,37,422	100.00	1,19,37,422	100.00

(e) Shareholders holding more than five percent at the end of the year (other than (d))

Name of shareholder	Class of share	As at 31-03-2025	As at 31-03-2024
		No. of shares held	No. of shares held
		-	-

(f) Shares held by promoters at the end of the year 31-03-2025

Promoter Name	As at 31-03-2025		As at 31-03-2024		
	No. of shares held	% of holding	No. of shares held	% of holding	% Changes during the year
TVS Motor Company Limited	1,19,37,422	100.00	1,19,37,422	100.00	-

Notes to Financial Statements - *(continued)*

Rupees in crores

		As at March 31, 2025	As at March 31, 2024
14	**PARTICULARS**		
	General reserve	8.05	8.05
	Securties premium reserve	16.94	16.94
	Retained earnings	32.09	109.18
	Total	**57.08**	**134.17**

15. Long Term Borrowings

Description	Frequency	No. of instalments due	Maturity	As at 31-03-2025	As at 31-03-2024
Secured:					
Term loan from bank	Repayable in 12 equal Quarterly instalments INR 3.5 Cr starting Feb 2025	12	24- Nov- 2027	-	47.56
Term loan from SIPCOT	Repayable in single instalments INR 5.80Cr on April 2029	1	01- April- 2029	-	3.33
Total Borrowings				-	50.89
Less : Current Maturities of long-term borrowings (Refer Note No. 18)				-	7.25
Total Long-term Borrowings				-	43.64

Details of securities created:

(i) Term loan from banks -Exclusive charge on land and building and paripasu charge on plant and equipment

(ii) Term loan from banks -Equitable mortgage of immovable properties of the company

(iii) Term loan from SIPCOT- First charge on the specific plant and equipment

Description	Currency	Amount	Rate of Interest
Term loan from bank	INR	15 Crores	8.95% (T-Bill 30 days +2.98)
Term loan from bank	INR	42 Crores	9.25% (MCLR 6 Month)
Term loan from SIPCOT	INR	5.80 Crores	0.1% per Annum

16. Provisions- Employee benefit obligations

	As at March 31, 2025			As at March 31, 2024		
Particulars	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Pension	1.09	3.71	4.80	1.09	3.04	4.13
Leave Salary	-	-	-	0.28	1.89	2.17
Gratuity	-	-	-	-	0.47	0.47
Total employee benefit obligations	**1.09**	**3.71**	**4.80**	**1.37**	**5.40**	**6.77**

Notes to Financial Statements - *(continued)*

Rupees in crores

Details	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024									
Opening values	7.16	6.69	0.47	4.13	-	4.13	2.17	-	2.17
Current service cost	-	-	-	0.30		0.30			-
Interest expense/(income)	-	-	-			-			-
Total amount recognised in profit or loss	**-**	**-**	**-**	**0.30**	**-**	**0.30**	**-**	**-**	**-**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	0.38	-	0.38		-	-
Experience (gains)/losses	-	-	-		-	-		-	-
Total amount recognised in other comprehensive income	**-**	**-**	**-**	**0.38**	**-**	**0.38**	**-**	**-**	**-**
Employer contributions	-	-	-	-	-	-			-
Benefit payments	-	-	-	-	-	-			-
Transfer of asset and libilities on account of slump sale	(7.16)	(6.69)	(0.47)			-	(2.17)	-	(2.17)
March 31, 2025	**-**	**-**	**-**	**4.81**	**-**	**4.81**	**-**	**-**	**-**

Details	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023									
Opening values	7.32	4.66	2.66	3.72	-	3.72	1.87	-	1.87
Current service cost	0.91	-	0.91	-	-	-	-	-	-
Interest expense/(income)	0.46	0.43	0.03	0.28	-	0.28	0.22	-	0.22
Total amount recognised in profit or loss	**1.37**	**0.43**	**0.94**	**0.28**	**-**	**0.28**	**0.22**	**-**	**0.22**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.17	-	0.17	0.20	-	0.20	0.04	-	0.04
Experience (gains)/losses	(1.48)	-	(1.48)	(0.08)	-	(0.08)	0.44	-	0.44
Total amount recognised in other comprehensive income	**(1.31)**	**-**	**(1.31)**	**0.12**	**-**	**0.12**	**0.48**	**-**	**0.48**
Employer contributions	-	1.81	(1.81)	-	-	-	-	-	-
Benefit payments	(0.22)	(0.22)	-	-	-	-	(0.40)	-	(0.40)
March 31, 2024	**7.16**	**6.69**	**0.47**	**4.13**	**-**	**4.13**	**2.17**	**-**	**2.17**

Notes to Financial Statements - *(continued)*

Rupees in crores

(i) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	Gratuity		Pension		Leave Salary	
Details	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Discount rate	-	6.97%	6.38%	6.97%	-	6.97%
Salary growth rate	-	5.50%	5.50%	5.50%	-	5.50%
Attrition rate	-	3.00%	0.00%	0.00%	-	3.00%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 60 years.

The Expected maturity analysis of undiscounted defined benefit obligations is as follows:

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5	Next 5 years	Total
As at March 31, 2025	1.12	1.69	1.69	1.69	1.69	8.44	16.31
As at March 31, 2024	1.82	2.22	2.72	2.31	2.25	11.94	23.26

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Grautity	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Details	**March 31, 2024**	**March 31, 2024**	**March 31, 2024**
Discount rate	0.50%	-4.87%	5.28%
Salary growth rate	0.50%	5.33%	-4.96%
Attrition growth rate	5.00%	0.20%	-0.20%
Life expectancy	5.00%	0.02%	-0.02%

Pension	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
Details	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Discount rate	1.00%	1.00%	-13.05%	-13.49%	15.81%	16.37%
Salary growth rate	1.00%	1.00%	16.42%	17.06%	-13.68%	-14.18%
Attrition growth rate	5.00%	5.00%	0.00%	0.00%	0.80%	0.00%
Life expectancy	5.00%	5.00%	-0.78%	-0.71%	0.00%	0.74%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(iii) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Notes to Financial Statements - *(continued)*

Rupees in crores

17 Deferred tax Liability / (Asset)

The balance comprises temporary differences attributable to:

Details	As at March 31, 2025	As at March 31, 2024
Depreciation	13.33	26.74
Provision for employee benefits	(2.66)	(4.23)
Provision for doubtful debts	-	(0.14)
On Voluntary Retirement Scheme	(0.36)	(1.09)
Loss allowance	-	(0.20)
On Financial Insturments	-	0.10
Unused MAT credit entitlement	-	-
Net deferred tax liability / (Asset)	**10.31**	**21.18**

Movement in deferred tax Liability / (Asset)

Details	Depreciation	Provision for employee benefits	Provision for doubtful debts	Financial Instruments	Unused tax credits (MAT credit entitlement)	On Voluntary Retirement Scheme	Provision for Loss allowance	Carryforward loss	Total
At April 1, 2023	25.71	(3.84)	(0.13)	0.52	(3.51)	(1.68)	(0.20)	(0.01)	16.86
Charged/(credited):									
- to profit or loss	1.03	(0.79)	(0.01)	(0.53)	3.51	0.59	(0.00)	-	3.79
- to other comprehensive income	-	0.42	-	0.11	-	-	-	-	0.53
At March 31, 2024	**26.74**	**(4.22)**	**(0.14)**	**0.10**	**-**	**(1.09)**	**(0.20)**	**(0.01)**	**21.17**
Charged/(credited):									
- to profit or loss	(13.41)	1.70	0.14	(0.10)	-	0.73	0.20	-	(10.74)
- to other comprehensive income	-	(0.12)	-	-	-	-	-	-	(0.12)
At March 31, 2025	**13.33**	**(2.65)**	**(0.00)**	**0.00**	**-**	**(0.36)**	**0.00**	**(0.01)**	**10.31**

	As at March 31, 2025	As at March 31, 2024
18 Current Liabilities - Borrowings		
Borrowings repayable on demand from banks		
Unsecured:		
- Bank 1 (Interest @ 7.6%)	-	8.21
- Bank 2 (Interest @ 8.0%)	-	19.00
Secured:		
- Bank 3 (Interest @ 7.8%)	-	10.00
Current Maturities of long term borrowings	-	7.25
Total Borrowings under Current Liabilities	**-**	**44.46**

	As at March 31, 2025	As at March 31, 2024
19 Trade payables		
Dues to Micro and Small Enterprises **	0.89	13.39
Dues to enterprises other than Micro and Small Enterprises	6.16	81.53
	9.04	**94.92**
Accrued Expenses	1.99	4.49
Total	**9.04**	**99.41**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information furnished by the vendor. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.

Notes to Financial Statements - *(continued)*

Rupees in crores

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.89	-	-	-	-	0.89
(ii) Others	6.16	-	-	-	-	6.16
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	7.05	**-**	**-**	**-**	**-**	**7.05**
Accrued Expenses						1.99
Total - Trade payables						**9.04**

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not due	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	13.12	0.27	-	-	-	13.39
(ii) Others	47.63	33.13	0.41	0.05	0.31	81.53
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	60.75	**33.40**	**0.41**	**0.05**	**0.31**	**94.92**
Accrued Expenses						4.49
Total - Trade payables						**99.41**

Balances includes balance with related parties (refer note no.29(c)) for trade payables

Details of securities created for Cash credit facility and repayable demand loan:

Hypothecation of book debts and inventories of the company, both present and future

		As at March 31, 2025	As at March 31, 2024
20	**Other financial liabilities**		
	Current		
	Interest accrued and due #	-	0.44
	Total other current financial liabilities	**-**	**0.44**

Funds are made available with banks which have been appropriated subsequently

		As at March 31, 2025	As at March 31, 2024
21	**Other current liabilities**		
	Advance received from customers*	-	31.58
	Others:		
	Statutory dues	2.65	1.84
	Employee related	0.31	3.16
	Total other current liabilities	**2.96**	**36.58**

*Advance received from Customer include Dues to Customer- Nil (Previous Year -Rs. 20.14 Crs)

		As at March 31, 2025	As at March 31, 2024
22	**Revenue from operations**		
	Revenue from contract manufacturing*		
	(i) Sale of Finished goods	145.91	-
	(ii) Less: Purchase of goods for contract manufacturing	(145.91)	-
	Total revenue from operations*	**-**	**-**

* Company engages in contract manufacturing without applying a markup. The revenue generated from contract manufacturing was offset against sales and purchases

		Year ended March 31, 2025	Year ended March 31, 2024
23	**Other income**		
	Interest income	0.80	0.40
	Other non-operating income	0.17	0.01
	Total other income	**0.97**	**0.41**
24	**Cost of Materials consumed:**		
	Purchase for contract manufacturing		
	(i) Purchase of raw materials for contract manufacturing	143.10	-
	(ii) Less: Sale of raw material	(143.10)	-
	Total Cost of purchase	**-**	**-**
25	**Employee benefits expense**		
	Salaries, wages and bonus	0.62	0.84
	Contribution to provident and other funds	0.01	0.01
	Welfare expenses	0.18	0.07
	Total employee benefit expense	**0.81**	**0.91**
26	**Finance Costs**		
	Interest	0.18	0.21
	Total finance costs	**0.18**	**0.21**

Notes to Financial Statements - *(continued)*

Rupees in crores

27	Other expenses	Year ended March 31, 2025	Year ended March 31, 2024
	(a) Repairs - buildings	0.68	0.05
	(b) Repairs - Other assets	0.06	0.03
	(c) Insurance	0.02	0.02
	(d) Rates and taxes	0.00	0.01
	(e) Audit fees #	0.26	0.26
	(f) Sitting fees	0.01	0.01
	(g) Miscellaneous expenses	2.62	1.78
	(under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakhs, whichever is higher)		
	Total other expenses	**3.65**	**2.17**
	# Refer Note No:36 (ii) for details on audit fees		

28	Tax expense and Reconciliation		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	2.63	5.79
	Total current tax expense	**2.63**	**5.79**
	Deferred tax		
	Unused tax (credit) [MAT credit entitlement]	-	3.51
	Decrease (increase) in deferred tax assets	1.94	(1.34)
	(Decrease) increase in deferred tax liabilities	(12.68)	1.62
	Total deferred tax expense/(benefit)	**(10.74)**	**3.79**
	Tax expense	**(8.11)**	**9.58**
	(b) Reconciliation of tax expense and the accounting profit multiplied by Indian tax rate:		
	Profit before income tax expense	15.50	28.83
	Provision for bad debts	-	0.02
	Tax on income chargeable at lower rates	(8.42)	-
	Ind AS current year OCI adjustment	(0.31)	1.19
		6.77	**30.04**
	Tax at Indian tax rate 25.17% of the Income Tax Act 1961 (PY 25.17%)	**2.63**	**5.79**
	Deferred tax liabilities / (Assets)	(10.74)	0.28
	MAT Credit entitlements	-	3.51
	Tax expense	**(8.11)**	**9.58**

Notes to Financial Statements - *(continued)*

Rupees in crores

Related Party Disclosure

29 (a) (i) Related parties and their relationship where control exists

Ultimate holding company

TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited) - From 11th August 2023

Holding company

TVS Motor Company Limited, Chennai

(ii) Related parties and their relationship where transaction / control exists

Fellow subsidiaries

TVS Digital Limited, Chennai [Name changed from 15th December 2023 - Formerly known as TVS Housing Limited]
Home Credit India Finance Private Limited [w.e.f. 30th January, 2025]
TVS Holdings (singapore) Pte. Limited
TVS Motor Services Limited, Chennai
TVS Credit Services Limited, Chennai
TVS Electric Mobility Ltd, Chennai
TVS Motor Company (Europe) B.V., Amsterdam
TVS Motor (Singapore) Pte. Limited, Singapore (TVSM Singapore)
PT TVS Motor Company Indonesia, Jakarta
TVS Motor Company, DMCC, Dubai
DriveX Mobility Private Limited, Coimbatore (Formerly known as Nkars Mobility Millennial Solutions Private Limited) [w.e.f. 23rd December, 2024)
Harita ARC Services Private Limited, Chennai
Harita Two Wheeler Mall Private Limited, Chennai
TVS Housing Finance Private Limited, Chennai
The GO Corporation, Switzerland (GO AG),
Swiss E-Mobility Group (Holding) AG, Switzerland (SEMG)
The Norton Motorcycle Co Limited, UK
TVS Digital Pte Ltd, Singapore
EBCO Limited, UK
Celerity Motor GmbH, Germany
EGO Movement Stuttgart, GmbH, Germany (Subsidiary of GO AG)
Swiss E-Mobility Group (Schweiz) AG Switzerland, Zurich
Colag E-Mobility GmBH, Germany, Nuremberg
Alexand'Ro Edouard'O Passion Vélo Sàrl, Switzerland

Fellow subsidiaries [Upto 31st December, 2024]

TVS Emerald Limited (Formerly Known as Emerald Haven Realty Limited)
Emerald Haven Maintenance Services Private Limited, Chennai
Emerald Haven Property Development Limited, Chennai
Happiness Harmony Property Developers Private Limited, Chennai
Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai
Emerald Haven Towers Limited, Chennai
Emerald Haven Development Limited, Chennai
Emerald Haven Life Spaces (Radial Road) Limited, Chennai
Emerald Haven Town & Country Private Limited, Chennai
Emerald Haven Residences Private Limited, Chennai
Emerald Haven Properties Private Limited, Chennai
Emerald Haven Builders Private Limited, Chennai
Emerald Haven Life Spaces 2 Private Limited, Chennai
Emerald Haven Life Spaces 3 Private Limited, Chennai

Notes to Financial Statements - *(continued)*

Rupees in crores

Associate of Holding companies:

Ultraviolette Automotive Private Limited, Bengaluru

Tagbox Solutions Private Limited, Bengaluru [upto 30.03.2024]

DriveX Mobility Private Limited, Coimbatore [upto 23.12.2024]

Indian Foundation for Quality Management, Bengaluru [upto 11.03.2025]

Associate of Fellow companies:

Killwatt GmbH, Germany [From 14.04.2023]

ION Mobility Pte. Ltd. [From 14.03.2024]

Predictronics Corp, USA

Tagbox Pte Ltd , Singapore (Upto 19th June, 2024)

Altizon Inc, USA

Scienaptic Systems Inc , USA (Upto 27th December, 2024)

Emerald Haven Housing Private Limited, Chennai (Upto 31st December 2024)

Enterprises under Common control

Sundaram - Clayton Limited, Chennai (formerly known as Sundaram - Clayton DCD Limited) - From 11th August 2023

TVS Emerald Limited (Formerly Known as Emerald Haven Realty Limited)

Emerald Haven Maintenance Services Private Limited, Chennai

Emerald Haven Property Development Limited, Chennai

Happiness Harmony Property Developers Private Limited, Chennai

Emerald Haven Realty Developers (Paraniputhur) Private Limited, Chennai

Emerald Haven Towers Limited, Chennai

Emerald Haven Development Limited, Chennai

Emerald Haven Life Spaces (Radial Road) Limited, Chennai

Emerald Haven Town & Country Private Limited, Chennai

Emerald Haven Residences Private Limited, Chennai

Emerald Haven Properties Private Limited, Chennai

Emerald Haven Builders Private Limited, Chennai

Emerald Haven Housing Private Limited, Chennai

Emerald Haven Life Spaces 2 Private Limited, Chennai

Emerald Haven Life Spaces 3 Private Limited, Chennai

Emerald Haven Highrises Private Limited

Key Managerial Personnel

Non Independent Directors

Mr. Venu Srinivasan

Dr. Lakshmi Venu

Mr. SG Murali

Whole time Director

Mr. Rajesh Oommen

Relative of KMP

Dr. Malini Srinivasan

NOTES TO ACCOUNTS

Rupees in crores

29 (b)	**Transactions with related parties:**		
(i)	**Purchase of goods**		
	- Holding company - TVS Motor Company Limited, Chennai	-	-
(ii)	**Sale of Investment**		
	- Ultimate holding company - TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited), Chennai	-	-
(iii)	**Reduction of Shares (including premium) and payment to holding company**		
	- Holding Company - TVS Motor Company Ltd, Chennai	-	310.00
(iv)	**Sale of goods**		
	- Holding Company - TVS Motor Company Ltd, Chennai	482.84	406.07
	- Associate of Holding Company - Ultraviolette Automotive Private Limited	0.85	0.67
(v)	**Investment in Zero coupon bonds**		
	- Holding Company - TVS Motor Company Ltd, Chennai	-	-
(vi)	**Redemption of Zero coupon bonds**		
	- Holding Company - TVS Motor Company Ltd, Chennai	-	310.00
(vii)	**Rendering of services**		
	- Ultimate holding company - TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited), Chennai	2.42	2.27
	- Enterprises under Common control - Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited), Chennai	8.17	5.40
(viii)	**Availing of services**		
	- Holding company - TVS Motor Company Limited, Chennai	1.37	1.07
	- Ultimate holding company - TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited), Chennai	3.50	3.47
	- Enterprises under Common control - Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited), Chennai	1.75	1.15
	- Fellow subsidiaries		
	TVS Credit Services Limited, Chennai		-
(ix)	**Sale of Assets**		
	Key Management Personnel	-	-
(x)	**Remuneration to Key Management Personnel**		
	Short Term Employee benefits	1.76	2.11
	Post- Employment Benefits	0.17	0.16
(xi)	**Commission To Key Management Personnel**	-	-
(xii)	**Dividend Paid to Holding Company**	100.27	1.96
29 (c)	**Balances with related parties:**		
(xiii)	**Trade receivables**		
	- Holding company - TVS Motor Company Limited, Chennai	4.17	10.95
	- Enterprises under Common control - Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited), Chennai	2.50	1.25
	- Ultimate holding company - TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited), Chennai	2.39	-
	- Associate of Holding Company		
	- Ultraviolette Automotive Private Limited	0.58	0.18
(xiv)	**Trade payables**		
	- Holding company - TVS Motor Company Limited, Chennai	0.04	0.04
	- Ultimate holding company - TVS Holdings Limited, Chennai (Formerly known as Sundaram-Clayton Limited), Chennai	0.76	0.03
	- Enterprises under Common control - Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited), Chennai	1.01	0.10

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

30 Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity mitigates the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Mitigation plan
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

The company's risk management is carried out by the treasury department under policies approved by the Board of director. Treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(i) Credit risk management

Credit risk is managed by the entity. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, The company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

1 : High-quality assets, negligible credit risk

2 : Quality assets, low credit risk

3 : Standard assets, moderate credit risk

4 : Substandard assets, relatively high credit risk

5 : Low quality assets, very high credit risk

6 : Doubtful assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increase in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in The company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

(ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Year ended 31 March 2025:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Category	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Investment at amortized cost	1	0.48	0%	-	0.48
		Other Financial Assets	1	-	0%	-	-
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and credit-impaired	NA	NA	NA	NA	NA	NA

(b) Expected credit loss for trade receivables under simplified approach

Ageing	Less than 180 days	More than 180 days	Total
Gross carrying amount	-	-	-
Expected loss rate	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-
Carrying amount of trade receivables (net of impairment)	**-**	**-**	**-**

Year ended 31 March 2024:

(a) Expected credit loss for loans, security deposits and investments

Particulars	Category	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Investment at amortized cost	1	0.47	0%	-	0.47
		Other Financial Assets	1	0.48	0%	-	0.48
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and credit-impaired	NA	NA	NA	NA	NA	NA

(b) Expected credit loss for trade receivables under simplified approach

Ageing	Less than 180 days	More than 180 days	Total
Gross carrying amount	96.79	0.39	97.18
Expected loss rate	-	100%	-
Expected credit losses (Loss allowance provision)	-	(0.39)	(0.39)
Carrying amount of trade receivables (net of impairment)	**96.79**	**-**	**96.79**

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

(iii) Reconciliation of loss allowance provision – Trade receivables

Details	
Loss allowance on 1 April 2024	0.39
Changes in loss allowance (net)	(0.39)
Loss allowance on 31 March 2025	**-**

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the entity's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Details	31 March, 2025	31 March, 2024
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	-	30.00

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) All non-derivative financial liabilities, and

b) Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

Particulars	Maturity	Amount (Rs. Cr.)	
		31-Mar-25	31-Mar-24
Term loan	> than 12 months	-	43.64
Short-term borrowings	< than 12 months	-	37.21
Trade payables	< than 12 months	9.04	99.41
Current maturities of term loan	< than 12 months	-	7.25
Interest accrued and due on loans	< than 12 months	-	0.44
Employee related	< than 12 months	0.31	3.16
Lease rent	> than 12 months	1.50	4.57

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(C) Market risk

(i) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

The companys exposure to foreign currency risk at the end of the reporting period expressed in Rupees Crores, are as follows

	31 March 2025			31 March 2024		
Details	**USD**	**EURO**	**JPY**	**USD**	**EURO**	**JPY**
Financial liabilities						
Foreign currency loan	-	-	-	-	-	-
ECB loan from bank	-	-	-	-	-	-
Trade payables	-	-	-	4.77	0.03	0.01
Net exposure to foreign currency risk (liabilities)	**-**	**-**	**-**	**4.77**	**0.03**	**0.01**

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Details	Impact on profit	
	31 March 2025	31 March 2024
USD sensitivity		
INR/USD Increases by 5%	-	0.24
INR/USD Decreases by 5%	-	(0.24)
JPY sensitivity		
INR/JPY Increases by 5%	-	0.00
INR/JPY Decreases by 5%	-	(0.00)
Euro sensitivity		
INR/Euro Increases by 5%	-	0.00
INR/Euro Decreases by 5%	-	(0.00)

* Holding all other variables constant

(ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from short-term borrowings with variable rates, which expose the company to rate risk.

Interest rate risk exposure

Particulars	31 March 2025	31 March 2024
Variable rate borrowings	-	88.10

Sensitivity analysis

Details	Impact on profit	
	31 March 2025	31 March 2024
Interest rate		
Increases by 5%	-	0.34
Decreases by 5%	-	(0.34)

Impact of hedging activities

Disclosure of effects of hedge accounting on financial position

Type of hedges and risks	Nominal Value of the hedging instruments	Carrying amount hedging instruments	Maturity Date	Hedge Ratio	Weighted Average price	Changes in fair value of hedging instrument
31st March 2025						
Forward Contracts	-	-	-	-	-	-
31st March 2024						
Forward Contracts	8.48	8.46	April 2024 to June 2024	1:1	INR/USD Rs.83.40	0.02

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

31 Capital management

(a) Risk management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may vary the amount of dividends payable to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistently, the company monitors capital on the basis of the following gearing ratio: Net debt (totalborrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The company's strategy is to maintain a optimum gearing ratio. The gearing ratios were as follows:

Details	March 31, 2025	March 31, 2024
Net debt	0.00	83.66
Total equity	69.02	146.11
Net debt to equity ratio (in times)	**0.00**	**0.57**

(b) Dividends

Details	March 31, 2025	March 31, 2024
(i) Equity shares		
First and final dividend for the year ended 31st March 2025 of Rs. 84 (31st March 2024 Rs. 1.64) per fully paid share	100.27	1.96
(ii) Dividends not recognised at the end of the reporting period	-	-

32 Fair Value Measurements

Financial instruments by category

Particulars	March 31, 2025			March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	-	-	-	2.52	-
- Others						
Life Insurance Corporation Pension Policy	-	-	0.48	-	-	0.47
Zero coupon bonds	-	-	-	-	-	-
Deposits	-	-	-	-	-	0.32
Share allotment money	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	96.79
Cash and cash equivalents	-	-	30.89	-	-	4.44
Employee advance	-	-	2.39	-	-	0.16
Receivable under hedge instruments	-	-	-	-	-	-
Total financial assets	**-**	**-**	**33.76**	**-**	**2.52**	**102.18**
Financial liabilities						
Trade payables	-	-	9.04	-	-	99.41
Borrowings	-	-	-	3.33	-	77.52
Others						
- Current Maturities of long term borrowings	-	-	-	-	-	7.25
- Interest accrued	-	-	-	-	-	0.44
- Employee related	-	-	0.31	-	-	3.16
Payable under hedget instruments	-	-	-	-	-	-
Total financial liabilities	**-**	**-**	**9.35**	**3.33**	**-**	**187.78**

NOTES TO ACCOUNTS - *(continued)*

Rupees in crores

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31 March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:		-	-	-	-
Financial Investments at FVOCI:					
Green Infra Wind Energy Theni Limited	5	-	-	-	-
Atria wind power (chitradurga) P Ltd	5	-	-	-	-
Total financial assets		**-**	**-**	**-**	**-**
Financial liabilities					
Financial liabilities at FVTPL:					
Borrowings	15	-	-	-	-
Total financial liabilities		**-**	**-**	**-**	**-**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 31 March 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Life Insurance corporation pension policy	5	-	-	0.48	0.48
Total financial assets		**-**	**-**	**0.48**	**0.48**
Financial Liabilities	-	-	-	-	**-**
Total financial liabilities		**-**	**-**	**-**	**-**

Financial assets and liabilities measured at fair value - recurring fair value measurements

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL:		-	-	-	-
Financial Investments at FVOCI:					
Green Infra Wind Energy Theni Limited	5	-	-	2.01	2.01
Atria wind power (chitradurga) P Ltd	5	-	-	0.51	0.51
Total financial assets		**-**	**-**	**2.52**	**2.52**
Financial liabilities					
Financial liabilities at FVTPL:					
Borrowings	15	-	-	3.33	3.33
Total financial liabilities		**-**	**-**	**3.33**	**3.33**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At 31 March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments					
Life Insurance corporation pension policy	5	-	-	0.47	0.47
Total financial assets		**-**	**-**	**0.47**	**0.47**
Financial Liabilities		-	-	-	-
Total financial liabilities		**-**	**-**	**-**	**-**

NOTES TO ACCOUNTS - *(continued)*

Rupees in Crores

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of foreign currency option contracts is determined using Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2

Fair value measurements using significant unobservable inputs (level 3)

	Unlisted Securities
As at 1 April 2023	2.33
Acquistion/(Disposal)	0.84
Gains/losses recognised in profit or loss	-
Gains/losses recognised in OCI	(0.52)
31-Mar-24	2.65
Acquistion/(Disposal)	(2.65)
Gains/losses recognised in profit or loss	-
Gains/losses recognised in OCI	
31-Mar-25	-

Valuation inputs and relationships to fair value

Particulars	Fair value as at			Probability-weighted range		
	31-Mar-25	31-Mar-24	Significant unobservable inputs	31-Mar-25	31-Mar-24	Sensitivity
Unquoted Equity Shares	-	2.65	Risk adjusted discount rate	8.0%	8.0%	Not Significant

(v) Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) and the Audit Committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once in every three months, in line with the group's quarterly reporting periods.

The main level 3 inputs for unlisted equity securities, contingent considerations and indemnification asset used by the group are derived based on the the discount rates that are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(vi) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, deposits, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature and in-significant change in interest rate.

	31 March, 2025	31 March, 2024
33 Earnings per share		
(a) Basic and diluted earnings per share		
Basic and diluted earnings per share attributable to the equity holders of the Company (in Rs.)- Discontinued operations	25.05	6.91
Basic and diluted earnings per share attributable to the equity holders of the Company (in Rs.) - Continuing operations	(5.27)	(1.58)
(b) Earnings used in calculating earnings per share		
Basic and diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basis earnings per share (Rs. In Crores)- Discontinued operations	29.91	24.94
Profit attributable to equity holders of the company used in calculating basis earnings per share (Rs. In Crores)- Continued operations	(6.30)	(5.69)
(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,19,37,422	3,60,75,850

34 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006.	Year ended 31-03-2025	Year ended 31-03-2024
1. The principal amount and interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year:		
(i) Principal (all are within agreed credit period and not due for payment)	0.89	13.39
(ii) Interest (as no amount is overdue)	Nil	Nil
2. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
4. The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

NOTES TO ACCOUNTS - *(continued)*

Rupees in Crores

35 Revenue from contracts with customers

1 Disaggregated revenue

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Company identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under :

Particulars	For the year ended 31-03-2025	For the year ended 31-03-2024
A. Type of goods or service		
1. Components and tools	692.13	732.28
2. Other operating revenue	39.03	31.51
	731.16	763.79
B. Timing of recognition of revenue		
1. At a point in time	731.16	763.79
2. Over time	-	-
	731.16	763.79

2 The operations of the Company relate to only one segment viz., automotive components and tools. Thus, the information on the relationship between disaggregated revenue under Ind AS 115 and for reportable segment under Ind AS 108 is not required.

3 Reconciliation of contracts with customers

The following schedule gives the movement of contract liabilities for the reporting period.

A. Contract liabilities at the beginning of the period	9.22	6.20
Add / (Less) :		
Consideration received during the year as advance	-	9.22
Revenue recognized from contract liability	(9.22)	(6.20)
Contract liabilities at the end of the period	-	9.22

i. Payments are received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met the same is recognized as revenue.

4 Transaction price allocated to the remaining performance obligations

The Company's contracts with customers are short term contracts with performance obligations that has an original expected duration of one year or less. Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

5 Reconciliation of revenue with contract price

1. Contract price	731.16	763.79
2. Adjustments :		
Discounts	-	-
3. Revenue from operations as per Statement of Profit and loss	731.16	763.79

6 There is no impact on the retained earnings as on the date of adoption of the standard. No effect on any financial statement line item due to application of this standard and there is no requirement to disclose the same

35.a DISCONTINUED OPERATIONS- IND AS 105

During the year 2024-25, the company entered in to Business Transfer Agreement with Pricol precision products private limited on 2nd December 2024 and with Uno Minda Limited on 22nd March 2025 to transfer the Injection moulding business and seating business, respectively, by way of slump sale

On 31st January 2025, the company completed the sale and transferred its Moulding business as outlined in the Business Transfer agreement and recognized pre-tax gain of Rs. 0.98 Cr for the period ending 31st March 2025. This gain has been reported under discontinued operations.

Subsequently, on 31st March 2025, the company consumated the sale and transfer of seating business as outlined in the Business transfer agreement and recognized pre tax gain of Rs.12.53 Cr for the period ending 31st March 2025, also included under discontinued operations.

Particulars	As at 31st March 2025	As at 31st March 2024
1 **Assets and Liabilities disposed through slump sale**		
Group of Assets disposed through slump sale	338.97	400.95
Liabilities associated with the group of assets disposed through slump sale	142.06	254.84
2 **Major Class of Assets disposed through slump sale**		
Property, plant and equipment	137.22	204.68
Capital work in progress	3.48	2.58
Other Intangible assets	17.18	13.67
Right of use of assets	8.99	10.92
Inventories	46.52	44.96
Other Financial assets	6.61	8.04
Trade receivables	102.85	96.79
Other assets	16.11	19.31
Total assets	**338.97**	**400.95**
Trade payables	109.30	99.41
Other liabilities and provision	32.76	155.43
Total liability	**142.06**	**254.84**
Net assets	**196.90**	**146.11**
3 **Financial performance related to Discontinued operations**		
Revenue and other Income	744.64	764.31
Less: Expenses	722.16	729.03
Profit before tax (A+B+C)	**22.48**	**35.28**
Exceptional items (net)	-	-
Profit before tax	**22.48**	**35.28**
Tax expenses of discontinued operations - Current tax	2.63	5.79
Tax expenses of discontinued operations - Deferred tax	(10.05)	4.55
Profit after tax	**29.91**	**24.94**
4 **Cash flow disclosure with respect to Discontinued operartions**		
Cash and cash equivalents at the beginning of the year	4.44	(1.85)
Cash flow from Operating activities	20.73	58.97
Cash flow from Investing activities	212.18	288.91
Cash flow from Financing activities	(202.99)	(339.04)
Net cash flow generated from Discontinued operations (A+B+C)	**34.36**	**6.99**

NOTES TO ACCOUNTS - *(continued)*

Rupees in Crores

	Particulars	31st March 2025	31st March 2024
36	**Other Disclosures**		
(i)	**Contingent liabilities**		
	Details		
	(a) Claims against the company not acknowledged as debt		
	(i) Income Tax	3.41	3.46
	(ii) Goods and Service Tax**	28.48	6.70
	(b) Other money for which the company is contingently liable on bill discounting with bank	-	-
	(c) Commitments		
	(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	2.38
	(ii) Estimated Indemnity amount on account of tax paid due to interpretational difference in GST tax rate	15.94	15.94
	(iii) On Investments	-	-
	Total	**47.83**	**28.48**

The future cash flows on the above items are determinable only on receipt of the decisions / judgments that are pending at various forums / authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

** excluding interest at applicable rates thereon

	Particulars	31st March 2025	31st March 2024
(ii)	**Payment to Auditor (excluding GST)**		
	Audit fee	0.20	0.20
	Taxation matters	0.04	0.04
	Certification matters	0.02	0.02
	Total	**0.26**	**0.26**
	Miscellaneous expenses include travel and stay expenses of auditors	**0.05**	**0.04**

(iii)	**Expenditure incurred on Corporate Social Responsibility activities:**		
	1. Amount required to be spent by the Company during the year	0.38	0.06
	2. Amount of expenditure incurred	0.40	0.15
	3. Shortfall at the end of the year	-	-
	4. Total of previous years shortfall	-	-
	5. Reasons for shortfall	Not applicable	
	6. 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	-	-
	7. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in position	-	-

Nature of CSR Activities : Rural development, Economic development, Women empowerment, Health care, Education and Conservation of natural resources.

(iv) **Segment Reporting:**

The company operates in only one segment namely, manufacturing and selling of automobile parts.

37 Additional Regulatory Information

(i) Ratio Analysis

S No	Ratio	Numerator	Denominator	Numerator	Denominator	Current Year 31.03.2025	Previous Year 31.03.2024	% Variance	Reasons
a	Current Ratio (in times)	Current Assets	Current Liabilities	44.02	18.81	2.34	0.88	165%	Reflects better operational performance and due to discontinued operations
				162.37	184.04				
b	Debt Equity Ratio (in times)	Total Debt	Total Shareholders Equity	-	69.02	-	0.57	-100%	Repayment of debt
				83.66	146.11				
c	Debt Service Coverage Ratio (in times)	Earnings available for debt services	Total Interest and principal repayments	48.14	20.86	2.31	3.00	-23%	Increase in profit before tax and repayment of borrowings
				62.71	20.91				
d	Return on Equity Ratio (%)	Net Profit after Tax	Average Shareholder's Equity	23.61	107.57	21.95%	6.58%	233%	Return on Investment improved reduction of share capital
				19.25	292.40				
e	Inventory Turnover Ratio (in times)	Net Sales	Average Inventory	735.82	22.48	32.73	17.22	90%	Average inventory reduced due to discontinued operations
				768.08	44.61				
f	Trade Receivable Turnover Ratio (in times)	Net Credit Sales	Average Trade Receivables	735.82	48.40	15.20	8.12	87%	Average receivables reduced due to discontinued operations
				768.08	94.56				
g	Trade Payable Turnover Ratio (in times)	Net Credit Purchases	Average Trade Payables	483.84	57.98	8.35	5.32	57%	Average payables reduced due to discontinued operations
				531.35	99.91				
h	Net Captial Turnover Ratio (in times)	Net Sales	Working Capital	735.82	25.21	29.19	(35.44)	-182%	Net capital turn over ratio improved due to discontinued operations
				768.08	(21.67)				
i	Net Profit Ratio (%)	Net Profit	Net Sales	23.61	735.82	3.21%	2.51%	28%	Net profit % improved due to better operational/ non operational performance
				19.25	768.08				
j	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed	26.78	77.13	34.72%	19.24%	80%	The ROCE higher in current year due to reduction in average capital employed due to discontinued operations
				40.16	208.73				
k	Return on Investment (%)	Profit after Tax	Average Networth	23.61	69.02	34.21%	13.18%	160%	Return on Investment improved due to reduction in average investment due to discontinued operations
				19.25	146.11				

NOTES TO ACCOUNTS - *(continued)*

ii The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.Immovable properties transferred to P3L through BTA for which name transfer is in progress.

iii The Company does not have any investment property.

iv The Company has not revalued its Property, Plant and Equipment (including Right to Use Assets).

v The Company has not revalued its Intangible Assets.

vi The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

vii No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

viii During the year company has borrowings from banks on the basis of security of current assets.The quarterly returns filed by the Company with such banks are in agreement with the books of accounts of the Company. However, as on 31st March 2025, there are no outstanding balances to banks.

ix The Company is not declared as "willful defaulter" by any bank or financial institution or other lender.

x There are no transactions with the Companies whose name struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2025.

xi All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31 March 2025.

xii The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

xiii No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

xiv 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 or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
a) 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)
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

xv The Company has not received any fund from any person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding Party (Ultimate Beneficiaries)
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xvi The Company has not surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

xvii The Company has not operated in any crypto currency transactions.

38 Previous year's figures have been regrouped wherever necessary to confirm to the current year's classification

As per our report annexed

Venu Srinivasan
Chairman
DIN No: 00051523

Rajesh Oommen
Director & Chief Executive Officer
DIN No: 08588098

For V .Sankar Aiyar & Co
Chartered Accountants
Firm Regn. No. 109208W

Place: Chennai
Date: 22-05-2025

K. Gopala Desikan
Chief Financial Officer

G Sathyan
Company Secretary

S. Venkataraman
Partner
Membership No. 023116

Directors' Report to the Shareholders of the Company

The Directors' have pleasure in presenting the Sixteenth Annual Report on the progress of the Company together with the audited statement of accounts for the year ended 31st March 2025.

1. Financial Results

The highlights of the financial performance of the Company are given below:

(Rs. in lakhs)

Particulars	Year ended 31-03-2025	Year ended 31-03-2024
Revenue from Operations	-	-
Other Income	8.84	341.21
Total	**8.84**	**341.21**
Purchases of Stock-in trade	-	-
Finance Cost	361.43	333.16
Administrative & other expenses	8.55	68.38
Profit / (Loss) before tax	(361.14)	(60.33)
Less:		
- Provision for tax	-	-
Add:	-	-
- Deferred Tax Asset		
Profit / (Loss) after tax	(361.14)	(60.33)

2. Dividend

The Board of Directors does not recommend any dividend for the year under consideration, in view of the loss sustained by the Company for the year ended 31st March 2025.

3. Share Capital

During the year under review, the Company had not issued any shares.

The paid-up capital of the company is Rs. 199,63,38,140 comprising of 14,96,33,814 Equity shares of at Rs.10/- each and 5,00,00,000 no. of Optionally Convertible Redeemable Preference Shares of at Rs. 10/- each.

4. Debentures

During the year under review, the Company has not issued any debentures.

5. Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

6. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company. However, the members' attention is drawn to the statement on contingent liabilities, commitments, given in the notes forming part of the financial statements.

7. Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An internal auditor has been appointed for this purpose.

The Board is accountable for evaluating and approving the effectiveness of the internal controls, including financial, operational and compliance controls. The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded.

8. Risk management

Our risk management framework is well embedded and continually reviewed by the Board. It enables to identify, evaluate and monitor principal risks and where possible, actively manage internal or external risks that could threaten the attainment of the Company targets.

As a process, risks associated with the business are identified and prioritized based on the Company's overall risk appetite, strategy, severity likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrixes are developed for monitoring and reviewing the risk mitigation.

The risk function is looked after by a team reporting to the Director / CEO of the Company.

The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks.

9. Related Party Transactions

Pursuant to the provisions of section 134(h) of the Companies Act, 2013 (the Act 2013) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, during the year there were no related party transaction and hence Form AOC - 2 is not applicable

10. Directors' Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Act, 2013 with respect to Directors' Responsibility Statement, it is hereby stated that:

(a) In the preparation of the annual accounts for the year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period.

(c) The directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The directors had prepared the accounts for the financial year ended 31st March 2025 on a going concern basis; and

(e) 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.

11. Directors

Directors' appointment / re-appointment / cessation

During the year under review, Mr V Gopalakrishnan resigned as Director of the Company with effect from 27th March 2025.

Independent Directors (IDs)

The Ministry of Corporate Affairs vide its notification dated 5th July 2017, exempted the wholly owned subsidiaries, joint ventures and dormant companies from the requirement of appointing Independent Directors pursuant to section 149 (4) of the Act, 2013.

Subsequently, such companies were further exempted from the requirement of constitution of Audit and Nomination and Remuneration Committees, as per Rule 6 of Companies (Meetings of Board and its Powers) Rules,2014.

Thus, the provisions of Section 149 of the Act, 2013 pertaining to the appointment of Independent Directors and constitution of the said Committees does not apply to the Company.

Directors liable to retire by rotation

In terms of Article 21 of the Articles of Association of the Company, Mr K N Radhakrishnan and Mr Aravind Balaji retire from the office at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Policy on Directors appointment and remuneration of directors, Key Managerial Personnel (KMPs)

In accordance with Section 178 of the Act, 2013 the Nomination & Remuneration Policy (NRC Policy) formulated to ensure that executive directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

Remuneration Policy

Directors:

NRC Policy will recommend the remuneration for executive and non-executive directors. This will be then approved by the board and shareholders. Prior approval of shareholders will be obtained, whenever required, in case of remuneration to non-executive directors.

Key Managerial Personnel:

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company's policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits and performance of each employee.

The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

The annual variable pay of senior executives is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

Criteria for Board Membership

Directors:

The Company will generally consider (i) their relevant experience in Finance/ Law/ Management/ Administration/ Research/ Corporate Governance/ Technical Operations or other disciplines related to company's business, (ii) having the highest personal and professional ethics, integrity and values and (iii) their willingness to devote sufficient time and energy in carrying out their duties and responsibilities.

Number of Board meetings held

During the year under review, the Board met five times on 7th May 2024, 26th August 2024, 23rd October 2024, 12th December 2024, 27th March 2025. The gap between the two meetings did not exceed one hundred and twenty days.

Key Managerial Personnel (KMPs)

In terms of Section 203 of the Companies Act, 2013, M/s. V Karuanakara Reddy, Chief Executive Officer, S Sridhar, Chief Financial Officer and K S Srinivasan, Company Secretary are the Key Managerial Personnel of the Company as on 31st March 2025.

Evaluation of the board and directors

In terms of Section 134 of the Companies Act 2013 and the rules made thereunder, the board has carried out evaluation of its own performance.

The Board discussed and assessed its own composition, size, mix of skills and experience, its meeting sequence effectiveness of discussion, decision making, follow up action, quality of information and the performance. Besides, the board considered both its characteristics and the effectiveness of its performance in carrying out its role and responsibilities in the context of the nature, scope, complexity and risk profile of the Company.

The evaluation of Individual Directors was made on the following criteria, namely (i) attendance for the meetings, participation and independence during the meetings, (ii) interaction with management, (iii) role and accountability of the board and knowledge and proficiency etc.

12. Deposits

The Company has not accepted any deposit from the public within the meaning of Chapter V of the Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31st March 2025.

13. Auditors

Statutory Auditors

On recommendation of Board of Directors of the Company, members of the Company re-appointed M/s. Raghavan Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, having Firm Registration No. 007761S allotted by the Institute of Chartered Accountants of India as Statutory Auditors of the Company at the 15th Annual General Meeting of the Company for a term of 5 consecutive years i.e. till the conclusion of 20th Annual General Meeting pursuant to Section 139 of the Companies Act, 2013, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

The Statutory Auditors will continue to hold office for the 2nd year in the second term of five consecutive years, from the conclusion of this AGM.

The Company has obtained necessary certificate under Section 141 of the Act, 2013 conveying their eligibility for being the Statutory Auditors of the Company for the year 2025-26.

Secretarial Auditors

As required under Section 204 of the Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company.

As required under Section 204 of the Act, 2013, the Secretarial Audit Report for the year 2024-25, given by M/s Sandeep & Associates, Practicing Company Secretaries, Chennai, is attached to this report. The Secretarial Audit Report does not contain any qualification, reservation or other remarks. M/s S Sandeep & Associates, Practicing Company Secretaries, Chennai, was re-appointed as Secretarial Auditors for carrying out the secretarial audit for the financial year 2025-26.

Both the Statutory Auditors Report and Secretarial Audit Report are free from any qualification, reservation or adverse remark or disclaimer, and hence do not warrant any explanation or comments by the board.

14. Disclosures

Information on conservation of energy, technology absorption, foreign exchange etc:

The Company has no activity relating to conservation of energy or technology absorption. The Company did not have any foreign exchange earnings or outgo, in terms of the requirements of Section 134(3) (m) of the Act 2013 read with the Companies (Accounts) Rules 2014.

Employee's remuneration:

There is no employee receiving remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence the question of attaching a statement containing the prescribed details of such employees does not arise.

Details of loans / guarantees / investments made:

During the year under review, the Company had not granted any loans or guarantees covered under Section 186 of the Companies Act 2013 read with the Companies (Meetings of Board and its powers) Rules, 2014, for the financial year 2024-25.

Please refer note no. 4 to Notes on accounts for the financial year 2024-25, for details of investments made by the Company.

Reporting of fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Maintenance of cost records:

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year. Further, companies covered under Table B of Rule 3 to Companies (Cost Records and Audit) Rules, 2014 whose overall annual turnover exceeds 100 Crores are required to get its cost records audited.

Since the turnover does not exceed the prescribed limit, cost records were not required to be maintained by the Company.

Insolvency and Bankruptcy Code

There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

One-Time Settlement with any Bank or Financial Institution

There are no One-Time Settlement with any Bank or Financial Institution.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has duly constituted an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

15. Acknowledgement

The Directors wish to thank the Shareholders of the Company for their co-operation and support and also place on record their appreciation of the services and assistance rendered by the bankers of the Company.

For and on behalf of the Board

Place: Chennai	K N Radhakrishnan	Sasikala Varadachari
Date: 26th April, 2025	Director	Director
	DIN: 02599393	DIN: 07132398

FORM NO.MR-3

SECRETARIAL AUDIT REPORT OF TVS MOTOR SERVICES LIMITED
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members
TVS MOTOR SERVICES LIMITED,
CIN: U50404TN2009PLC071075
"Chaitanya",
No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. TVS Motor Services Limited (CIN: U50404TN2009PLC071075) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended March 31, 2025, generally, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns .filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

   a. Companies Act, 2013 (the Act) and the rules made thereunder;

   b. Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   c. Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company does not have any Overseas Direct Investments or External Commercial Borrowings;

   e. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:

      - Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Registrars to an Issue and Transfer Agents) Regulations, 1993, regarding Companies Act and dealing with client;
      - Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable for the year under review.
      - Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - Not Applicable for the year under review.
      - Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable for the year under review; - Not Applicable for the year under review.

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

   a. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India

   We further report that during the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

3. We further report that:

   a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive and Independent Directors. The changes, if any that took place in the Composition of the Board and the same were carried out in compliance with the applicable provisions of the Act.

   b. Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

c. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

d. The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. We further report that based on the information received, records maintained, and representation received, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

5. The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable;

6. There was no prosecution initiated, and no fines or penalties were imposed during the year under review under the Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.

7. We further report that during the period under review, no events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above have taken place.

For S Sandeep & Associates

UDIN: F005853G000209243

S Sandeep
Managing Partner
FCS 5853; COP 5987

Place: Chennai
Date: 26th April, 2025

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of TVS Motor Services Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **TVS Motor Services Limited** ("the Company"), having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai-600 006, Tamil Nadu which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Material accounting policy 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and its loss, total comprehensive loss , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the standalone financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 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.

The 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 Standards on Auditing 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of section 164(2) of the Act;
   (f) With respect to the 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 Auditors' Report under Section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors;
   (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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed impact of pending litigations on the financial position in its standalone financial statements Refer Note 28;
      (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2025;
      (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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
      (v) The Company has not declared any dividends during the year.
      (vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31,2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN : 25027716BMIIMS1759

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 26th April, 2025

Annexure "A" to Independent Auditors' Report 31st March 2025
(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company doesn't have any intangible assets Accordingly, the provisions of clause 3(i)(b) of the Order are not applicable;

(b) The Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets;

(c) 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) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The Company does not hold any inventory. Accordingly, the provisions of clause 3(ii) (a) of the Order are not applicable;

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable;

iii. The Company has not made investments and has not provided any Guarantee or security or granted any loans or advances in nature of loans secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties, during the year. Accordingly, the provision of clause 3(iii)(a) to 3 (iii)(f) of the order is not applicable;

iv. In our opinion, the Company has not entered any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable;

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company;

vii. In respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, and other material statutory dues, as applicable, to the appropriate authorities. There have been marginal delays in some instances; however, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income-tax, sales-tax, Goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of Duty/ Tax under Dispute	Nature of the Statute	Period to which the amount relates	Forum where dispute is pending	Amount Involved (Rs. In Lakhs)
Income Tax	Income Tax Act, 1961	AY 2018-19	Commissioner (Appeals)	397.27

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not obtained term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable;

(d) The Company has not raised any short-term funds during the year. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business;

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company;

xvi. (a) In our opinion, the Company is not required to be registered under
(b) section 45-IA of the Reserve Bank of India Act, 1934. Hence,
(c) reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable;

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group has 1 Core Investment Company;

xvii. The Company has not incurred cash losses during the financial year and in immediately preceding financial year covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

xx. The provisions of section 135 of the Companies Act, 2013 is not applicable to the company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable;

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN : 25027716BMIIMS1759

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 26th April, 2025

Annexure 'B' to the Independent Auditors' Report for the year ended 31st March 2024

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TVS Motor Services Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **TVS Motor Services Limited** (the "Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls 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 over financial reporting of the Company 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025 based on the criteria for internal financial control over financial reporting 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 RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN : 25027716BMIIMS1759

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bengaluru
Date : 26th April, 2025

BALANCE SHEET AS AT 31st March 2025

(All amounts in Lakhs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Capital work in progress	3	202.01	202.01
Investment property	2	9,803.91	9,397.35
Financial assets			
i. Investments	4	4,805.21	3,497.06
ii Loans	5	162.99	156.25
Income Tax Assets (Net)	6	75.20	74.75
Other non current assets	7	6.32	6.32
Deferred Tax assets	12	585.20	914.46
Total non-current assets		**15,640.84**	**14,248.20**
Current assets			
Inventories			
Financial assets			
i. Trade Receivables	8	743.45	743.45
ii. Cash and cash equivalents	9	358.60	78.87
iii. Bank balance other than Cash and Cash equivalents	9a	-	350.35
iv. Other receivables	10	6,298.05	6,643.34
Other current assets	11	704.42	704.42
Total current assets		**8,104.52**	**8,520.43**
Total Assets		**23,745.36**	**22,768.63**
Equity and liabilities			
Equity			
Equity share capital	13	14,963.38	14,963.38
Other Equity			
Reserves and surplus	14	2,826.63	2,208.91
Total equity		**17,790.01**	**17,172.29**
Liabilties			
Non-current liabilities			
Financial liabilities			
Borrowings			
i. Borrowings	15	4,613.05	4,252.12
Total non-current liabilities		**4,613.05**	**4,252.12**
Current liabilities			
Financial liabilities			
Borrowings			
i. Borrowing		-	-
ii Trade payables			
Total Outstanding dues of Micro Enterprises and Small Enterprises	16	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		120.22	176.28
iii. Other financial liabilities	17	134.79	134.34
Current Tax Liabilities (Net)			
Other current liabilities	18	1,087.29	1,033.60
Total current liabilities		**1,342.30**	**1,344.22**
Total liabilities		**5,955.35**	**5,596.33**
Total equity and liabilities		**23,745.36**	**22,768.63**
Material accounting policies	1		

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

K N Radhakrishnan
Director
02599393

Sasikala Varadachari
Director
07132398

For and on behalf of the Board

V R Karuanakara Reddy
Chief Executive Officer

Place: Chennai
Date:26-04-2025
UDIN: 23027716BGYLRZ9326

V. Sathyanarayanan
Partner
Membership No. 027716

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2025

(All amounts in Lakhs, unless otherwise stated)

	Notes	Year Ended March 31, 2025	Year Ended March 31, 2024
Income			
Revenue from operations		-	-
Other income	19	8.83	341.21
Total income		**8.83**	**341.21**
Expenses			
Finance costs	20	361.43	333.16
Other expenses	21	8.57	68.38
Total expenses		**370.00**	**401.54**
Profit/(loss) before tax		**(361.17)**	**(60.33)**
Tax Expense	22		
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the year		**(361.17)**	**(60.33)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		1,308.15	1,144.63
Income taxes on the above	22	**(329.26)**	**(288.08)**
Other comprehensive income for the year, net of tax		**978.89**	**856.55**
Total comprehensive Profit/ (loss) for the year		**617.72**	**796.22**
Material accounting policies	1		
Earnings per equity share (Basic/ diluted earnings per share) (in Rs)	23	**(0.24)**	**(0.04)**

As per our report of even date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Chennai
Date:26-04-2025
UDIN: 23027716BGYLRZ9326

For and on behalf of the Board

K N Radhakrishnan
Director
02599393

Sasikala Varadachari
Director
07132398

V R Karuanakara Reddy
Chief Executive Officer

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2025

(All amounts in Lakhs, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit before income tax	(361.17)	(60.33)
Adjustments for		
Interest income accrued reversed	(6.74)	(6.75)
Unwinding of discount on security deposits	-	-
Interest expense	361.43	333.16
Operating Profit Before Working Capital Changes	**(6.48)**	**266.08**
Change in operating assets and liabilities		
(Increase)/decrease in Trade receivable	(0.00)	53.91
(Increase)/decrease in other current assets	(0.45)	(9.69)
Increase/(decrease) in other financial liabilities	338.55	(94.23)
(Increase)/decrease in Trade payables	(56.06)	1.43
Increase/(decrease) in other current liabilities	53.69	(154.32)
Increase/(decrease) in other financial liabilities	0.45	(320.50)
Cash generated from operations	**329.70**	**(257.31)**
Income taxes paid	-	-
Net Cash used in operating activities	**329.70**	**(257.31)**
Cash flows from investing activities		
Fixed Deposit -- Redeemed/(Invested)	350.35	(350.35)
(Increase) /decrease in other Financial assets	(406.56)	
Interest Income	6.74	6.75
Net Cash generated from/(used in) investing activities	**(49.47)**	**(343.60)**
Cash flows from financing activities		
Proceeds from issue of Share capital	-	-
Proceed from issue of Preference share	-	-
Proceeds(Repayment) of Borrowings	-	-
Interest Paid on Borrowings	(0.52)	(0.49)
Net cash generated from financing activities	**(0.52)**	**(0.49)**
Net increase (decrease) in cash and cash equivalents	**279.71**	**(601.40)**
Cash and cash equivalents at the beginning of the financial year	78.87	680.28
Cash and cash equivalents at the end of the year	**358.60**	**78.87**

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

K N Radhakrishnan
Director
02599393

Sasikala Varadachari
Director
07132398

For and on behalf of the Board

V R Karuanakara Reddy
Chief Executive Officer

Place: Chennai
Date:26-04-2025
UDIN: 23027716BGYLRZ9326

V. Sathyanarayanan
Partner
Membership No. 027716

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2025

(All amounts in Lakhs, unless otherwise stated)

I) Equity Share Capital

Particulars	Notes	Amounts
Balance as at 1st Apr, 2023		**14,963.38**
Changes in equity share capital during the year	13	-
Balance as at 1st Apr, 2024		**14,963.38**
Changes in equity share capital during the year	13	
Balance as at 31st March, 2025		**14,963.38**

II) Other equity

Particulars	Notes	Reserves and surplus		Other reserves		Total
		Retained earnings	Capital reserve	FVOCI - Equity instruments	Fair valuation of preference share issued *	
Balance as at March 31, 2023		**(282.15)**	**(24.09)**	**634.75**	**1,084.18**	**1,412.70**
Loss for the period	14 (a)	(60.33)				**(60.33)**
Other Compreshensive income (net of tax)	14 (b)			856.55		**856.55**
Fair valuation of Preference shares						**-**
Balance as at March 31, 2024		**(342.48)**	**(24.09)**	**1,491.30**	**1,084.18**	**2,208.91**
Loss for the period	14 (a)	(361.17)				**(361.17)**
Other Compreshensive income (net of tax)	14 (b)			978.89		**978.89**
Fair valuation of Preference shares	14 (a)					**-**
Balance as at March 31, 2025		**(703.65)**	**(24.09)**	**2,470.19**	**1,084.18**	**2,826.63**

* Reserve created for the equity component arising in fair valuation of Optionally Convertible Redeemable Preference shares.

As per our report of even date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Chennai
Date:26-04-2025
UDIN: 23027716BGYLRZ9326

For and on behalf of the Board

K N Radhakrishnan
Director
02599393

Sasikala Varadachari
Director
07132398

V R Karuanakara Reddy
Chief Executive Officer

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

1. Material Accounting Policies forming part of Financial Statements

COMPANY BACKGROUND

TVS Motor Services Limited ('the Company') is a public limited company incorporated and domiciled in India. The registered office is located at "Chaitanya, No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600 006, Tamil Nadu, India.

MATERIAL ACCOUNTING POLICIES

a. Basis of preparation of accounts:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;

c. Use of Estimates and judgments

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

e. Financial liabilities and Equity Instruments

(i) Classification as Debt or Equity :

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments :

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

(iii) Financial liabilities:

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as

- held-for-trading or
- it is a derivative (that does not meet hedge accounting requirements) or
- it is designated as such on initial recognition.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

iv) Other financial liabilities :

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

f. Financial Assets:

(i) Classification

The Company classifies its financial assets in the following categories, those to be measured subsequently at:

- Fair value through other comprehensive income,
- Fair value through profit or loss, and
- Measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement:

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments.

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for, the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(iv) De-recognition of financial assets:

A financial asset is de-recognised only when:

The Company has transferred the rights to receive cash flows from the financial asset or the Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(V) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

g. Taxation

i. Provision for current tax is made on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

ii. Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

A deferred tax asset is not recognised for unclaimed tax credits that are carried forward as deferred tax assets.

h. Functional Currency:

Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupees (INR) and all values are rounded off to nearest lakhs except where otherwise indicated.

i. Borrowings

Borrowings that are not eligible to be carried under amortised cost model is designated as fair value through profit or loss on initial recognition.

Borrowings are initially recognised at fair value, net of transaction cost incurred. Processing fee on loan borrowed is amortized over the tenor of the respective loan.

Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

j. Borrowings cost:

Borrowing costs are expensed in the period in which they are incurred.

k. Recovery cost:

Recovery cost representing the expenditure incurred in recovery of the outstanding dues are accounted in the year in which the expenditure are incurred.

l. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of the transactions of non-cash nature. Deposits which are lien marked with maturity period exceeding 3 months are not treated as cash and cash equivalents for cash flow statement.

m. Earnings Per Share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

n. Impairment

The carrying amounts of assets are reviewed at each balance sheet date for indication of any impairment based on internal/external factors. An impairment loss is recognized wherever carrying amount of the assets exceeds its recoverable amount. Any such impairment loss is recognized by charging it to the Statement of Profit and Loss. A previously recognized impairment loss is reversed where it no longer exists and the assets are restated to the effect.

o. Operating Cycle

All assets & liabilities are classified as Current and Non-Current based on the operating cycles which have been estimated to be 12 months and which are expected to be realized and settled within a period of 12 months from the date of the Balance sheet.

p. Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalents is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Company's considered view, twelve months is its operating cycle.

q. Contingent liabilities

Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

r. Equity

Equity shares are classified as equity, Distributions to holders of an equity instrument are recognised by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity..

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

2 Investment Property

Particulars	Gross Value				
	As at 1st April 2024	Additions during the year due to business combination	Additions during the year	Deletions during the year	As at 31st Mar 2025
Land*	9,397.35	-	406.56	-	9,803.91
Total	**9,397.35**	**-**	**406.56**	**-**	**9,803.91**

Fair Value of the land as at 31/03/2020 Rs.44,601.00 Lakhs (31/03/2019 Rs.44,601.00 Lakhs)

Particulars	Gross Value				
	As at 1st April 2023	Additions during the year due to business combination	Additions during the year	Deletions during the year	As at 31st Mar 2024
Land*	9,029.61	367.75	-	-	9,397.35
Total	**9,029.61**	**367.75**	**-**	**-**	**9,397.35**

Fair Value of the land as at 31/03/2019 Rs.44,601.00 Lakhs

*1. A Part Land is given as security for term loan borrowing of fellow subsidiary company .

* 2. Land includes Rs. 5,542 lakhs, whose possession has been taken by Company and supported by Agreement of Sale,Power of Attorney and in respect of which process of registration is in progress.

3 Capital Work-In-Progress

Particulars	March 31, 2025	March 31, 2024
Capital work in progress (Refer Note 30 C)	202.01	202.01
Total Capital work-in-progress	**202.01**	**202.01**

Ageing of Capital Work-In-Progress as on 31st March 2025

Particulars	Amount in CWIP for following periods as on 31st March 2025				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Projects temporarily suspended				202.01	202.01

Ageing of Capital Work-In-Progress as on 31st March 2024

Particulars	Amount in CWIP for following periods as on 31-Mar-2024				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Projects temporarily suspended				202.01	202.01

4 Investments

Particulars	March 31, 2025	March 31, 2024
Unquoted		
Investment in equity shares carried at FVOCI		
TVS Credit Services Limited		
10,90,125 equity shares of Rs.10 each fully paid up	4,469.51	3,161.36
Phi Research Private Ltd	300.70	300.70
Investment Carried at FVTPL		
Investment in CIG Reality Fund	35.00	35.00
(5,00,000 (PY 5,00,000) units of Rs 10 each)		
Total Investments	**4,805.21**	**3,497.06**
During the year TVSCS shares are fair valued @ Rs. 410/ share		
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	4,805.21	3,497.06
Total	**4,805.21**	**3,497.06**

5 Loans

Particulars	March 31, 2025	March 31, 2024
Loans	162.99	156.25
Total	**162.99**	**156.25**

Unsecured Loan of Rs.135 lakhs given @5%p.a

6 Income Tax Assets (Net)

Particulars	March 31, 2025	March 31, 2024
Income Tax Assets (Net)	75.20	74.75
Total Other- Income Tax Assets	**75.20**	**74.75**

7 Other Non-Current Assets

Particulars	March 31, 2025	March 31, 2024
Security Deposit	1.32	1.32
Advances	5.00	5.00
Total Other non-current assets	**6.32**	**6.32**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

8 Trade Receivables

Particulars	March 31, 2025	March 31, 2024
Trade Receivables considered good - unsecured (Refer Note 30(A))	743.45	743.45
Total Trade Receivables	**743.45**	**743.45**

Ageing for trade receivables as on 31st March 2025

Particulars	Outstanding for following periods from due date of payment as on 31st March 2025					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	743.45	743.45
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Note:The receivables pertains to Related Party hence no expected credit loss (ECL) provision has been made

Ageing for trade receivables as on 31st March 2024

Particulars	Outstanding for following periods from due date of payment as on 31-Mar-2024					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	743.45	743.45
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Note:The receivables pertains to Related Party hence no expected credit loss (ECL) provision has been made

9 Cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
Balances with banks	303.10	22.38
Cash on Hand	55.50	56.49
Total cash and cash equivalents	**358.60**	**78.87**

9a Bank balance other than Cash and Cash equivalents

Particulars	March 31, 2025	March 31, 2024
Fixed Deposit	-	350.35
Total Bank balance other than Cash and Cash equivalents	**-**	**350.35**

10 Other Receivables

Particulars	March 31, 2025	March 31, 2024
Secured		
Receivable towards sale of property and other assets	6,298.05	6,640.91
Interest accrued on FD	-	2.43
Total Other receivables	**6,298.05**	**6,643.34**

11 Other Current assets

Particulars	March 31, 2025	March 31, 2024
Balance with GST/ Service Tax Department	704.42	704.42
Total Other Current assets	**704.42**	**704.42**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

12 Deferred tax Liabilities/(Assets)

The balance comprises temporary differences attributable to:

Particulars	March 31, 2025	March 31, 2024
Depreciation		
Fair valuation of financial liabilties	-	-
Fair valuation of financial asset	(887.27)	(558.01)
Investment Property	1,472.47	1,472.47
Net deferred tax Liabilities/(Asset)	**585.20**	**914.46**

Movement in Deferred Tax Assets/(Liabilities)	Investment Property	Fair valuation of financial asset	Fair valuation of financial liabilties	Total
At March 31, 2024	**1,472.47**	**(558.01)**	**-**	**914.46**
- to profit or loss			-	-
- to other comprehensive income		**(329.26)**		(329.26)
At March 31, 2025	**1,472.47**	**(887.27)**	**-**	**585.20**

Note:-

1) Deferred Tax Assets has been recognised on certain losses.

13 Equity share capital

i) Authorised, issued, subscribed & fully paid equity share capital

a) Equity Share Capital

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs in Lakhs	Number	Rs in Lakhs
Authorised Capital				
Equity Shares of Rs.10/- each	26,00,00,000	26,000.00	26,00,00,000	26,000.00
Issued, Subscribed & Paid up Capital				
Equity Shares of Rs.10/- each fully paid	14,96,33,814	14,963.38	14,96,33,814	14,963.38
	14,96,33,814	**14,963.38**	**14,96,33,814**	**14,963.38**

b) Preference Share Capital

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs in Lakhs	Number	Rs in Lakhs
Authorised Preference share Capital				
Non-cumulative Optionally Convertible Redeemable Preference Shares of Rs.10/- each fully paid	61,50,00,000	61,500.00	61,50,00,000	61,500.00
Issued, Subscribed & Paid up Capital				
Non-cumulative Optionally Convertible Redeemable Preference Shares of Rs.10/- each fully paid	5,00,00,000	5,000.00	5,00,00,000	5,000.00
	5,00,00,000	**5,000.00**	**5,00,00,000**	**5,000.00**

Note: The company has issued OCRPS, financial liability portions is accounted as financial liability as per 'Ind AS -32 Financial Instruments: Presentation and disclosure' under Non Current borrowings (refer note: 15) and equity component is accounted as reserves (refer note:14)

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

(ii) Reconciliation of Equity share outstanding at the beginning and end of the year

a) Equity Share Capital

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs in Lakhs	Number	Rs in Lakhs
Shares outstanding at the beginning of the year	14,96,33,814	14,963.38	14,96,33,814	14,963.38
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**14,96,33,814**	**14,963.38**	**14,96,33,814**	**14,963.38**

b) Preference Share Capital

Particulars	As at 31-03-2025		As at 31-03-2024	
	Number	Rs in Lakhs	Number	Rs in Lakhs
Shares outstanding at the beginning of the year	5,00,00,000	5,000.00	-	-
Shares Issued during the year	-	-	5,00,00,000	5,000.00
Shares outstanding at the end of the year	**5,00,00,000**	**5,000.00**	**5,00,00,000**	**5,000.00**

(iii) Rights and preferences attached to equity share:

Every Shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every Shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

(iv) Rights and preferences attached to Preference share:

The Non-cumulative Optionally Covertible redeemable preference shareholders will carry a preferential right vis-à-vis equity shares of the company with respect to the payment of dividend and repayment of capital during winding up. Shareholder shall be non- participating in the surplus funds/surplus assets and profits which may remain after the entire capital has been repaid upon winding up.

(v) Details of shares held by holding company at the end of 31st March 2025 for both Equity and Preference Share Capital

a) Equity Share Capital

Name of the Shareholder	Relationship	Class of Share	As at 31-03-2025		As at 31-03-2024	
			Share holding %	No. of Shares held	Share holding %	Number of shares
TVS Motor Company Limited	Holding company	Equity	100%	14,96,33,814	100%	14,96,33,814

* 6 equity shares of the Company are held by the nominees of the holding company

b) Preference Share Capital

Name of the Shareholder	Relationship	Class of Share	As at 31-03-2025		As at 31-03-2024	
			Share holding %	No. of Shares held	Share holding %	Number of shares
TVS Motor Company Limited	Holding company	Preference	100%	5,00,00,000	100%	5,00,00,000

(vi) Details of other shareholders holding more than 5% shares in the company

Name of the Shareholder	Class of Share	As at 31-03-2025		As at 31-03-2024	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
TVS Motor Company Limited	Equity	14,96,33,814	100%	14,96,33,814	100%

Name of the Shareholder	Class of Share	As at 31-03-2025		As at 31-03-2024	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
TVS Motor Company Limited	Preference	5,00,00,000	100%	5,00,00,000	100%

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

vii) Details of shares held by Promoters as at 31st March 2025

Name of the Shareholder	Class of Share	As at 31-03-2025		As at 31-03-2024		% Change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
TVS Motor Company Limited	Equity	14,96,33,814	100%	14,96,33,814	100%	0%

Name of the Shareholder	Class of Share	As at 31-03-2025		As at 31-03-2024		% Change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
TVS Motor Company Limited	Preference	5,00,00,000	100%	5,00,00,000	100%	0%

14 Reserves and surplus

Particulars	March 31, 2025	March 31, 2024
Retained earnings	(703.65)	(342.48)
Capital reserves	(24.09)	(24.09)
FVOCI-Equity Instruments	2,470.19	1,491.30
Fair valuation of preference share issued	1,084.18	1,084.18
Total reserves and surplus	**2,826.63**	**2,208.91**
a) Retained earnings		
Opening balance	(342.48)	(282.15)
Net Loss for the period	(361.17)	(60.33)
Closing balance	**(703.65)**	**(342.48)**
b) Capital reserve		
Opening balance	(24.09)	(24.09)
Closing balance	**(24.09)**	**(24.09)**
c) FVOCI-Equity Instruments		
Opening balance	1,491.30	634.75
Other Compreshensive income (net of tax)	978.89	856.55
Closing Balance	**2,470.19**	**1,491.30**
d) Fair valuation of preference share issued		
Opening balance	1,084.18	-
Fair valuation of preference share issued	-	1,084.18
Closing Balance	**1,084.18**	**1,084.18**
Total	**2,826.63**	**2,208.91**

Note

Retained earnings: Company's cumulative earnings since its formation minus the dividends/capitalisation.

Capital Reserve: Gain on common control business combination has been credited to capital reserve.

Reserve created for the equity component arising in fair valuation of Optionally Convertible Redeemable Preference shares.

15 Borrowings

Particulars	March 31, 2025	March 31, 2024
Non-cumulative optionally Convertible Redeemable Preference shares	4,613.05	4,252.12
Total borrowings	**4,613.05**	**4,252.12**

0.01% Optionally Convertible Redeemable Preference shares for Rs. 5000 lakhs was issued during the FY 2022-23. As per Ind AS109, the same has been fair valued. (Refer Note 13 i)

16 Trade payables

Particulars	March 31, 2025	March 31, 2024
Current		
Total Outstanding dues of Micro Enterprises and Small Enterprises *	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises (Refer Note 30(B))	120.22	176.28
Total trade payables	**120.22**	**176.28**

* Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by management. There is no outstanding dues or interest on the same.

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

Ageing for Trade Payables as on 31.03.2025

Particulars	Outstanding for following periods from due date of payment as on 31-March-2025				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.73	1.37	-	118.13	120.22
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Ageing for Trade Payables as on 31.03.2024

Particulars	Outstanding for following periods from due date of payment as on 31-March-2024				
	<1 Yr.	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1.37	-	-	174.91	176.28
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

17 Financial liabilities

Particulars	March 31, 2025	March 31, 2024
Current		
Payable to Preference Shareholder	0.90	0.45
Stale Cheques	-	-
Payable Others	133.89	133.89
Total other current financial liabilities	**134.79**	**134.34**

18 Other current liabilities

Particulars	March 31, 2025	March 31, 2024
Statutory Dues	955.30	893.13
Advance from customers		
- Advance received	131.98	140.47
Total other current liabilities	**1,087.29**	**1,033.60**

19 Other income

Particulars	March 31, 2025	March 31, 2024
a) Other income		
Other Non Operating Income	2.10	334.46
Interest income on loan to SAEL	6.74	6.75
Total other income	**8.84**	**341.21**

20 Finance Cost

Particulars	March 31, 2025	March 31, 2024
Other Borrowing Cost (Refer Note 29(e))	361.43	333.16
Total finance cost	**361.43**	**333.16**

21 Other expenses

Particulars	March 31, 2025	March 31, 2024
Rates and Taxes	-	11.33
Payment to Auditor* (Refer below note)	6.00	6.00
Consultancy Fees	1.09	27.15
Provision created against assets		
Other expenses	1.46	23.90
Total other expenses	**8.55**	**68.38**

Details of payment to auditors

Payment to auditors		
As Statutory auditors	6.00	6.00
Total payment to auditors	**6.00**	**6.00**

22 Income tax expense

Particulars	March 31, 2025	March 31, 2024
(a) Income tax expense		
Current tax	-	-
Current tax on profits for the year	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease (increase) in deferred tax assets	(329.26)	288.08
(Decrease) increase in deferred tax liabilities		
Total deferred tax expense/(benefit)	**(329.26)**	**288.08**
Income tax expense	**(329.26)**	**288.08**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

23 Earnings per share

Particulars	31st March 2025	31st March 2024
(a) Basic and diluted earnings per share		
Basic and diluted earnings per share attributable to the equity holders of the company (in rupees)	(0.24)	(0.04)
(b) Reconciliations of earnings used in calculating earnings per share		
Basic and diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basic earnings per share (Rs in lakhs)	(361.14)	(60.33)
(c) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (in numbers)	14,96,33,814	14,96,33,814

Preference shares issued during the year are optionally convertible at the end of the tenure (36 months). They are convertible at a price per Equity Share equivalent to the fair market value determined by a registered valuer (as defined under the Act) within 30 days from the date of issuance of the Conversion Notice

Since the ratio of conversion is not determinable, the same has not been included in computation of Weighted Average Number of Equity Shares for Diluted EPS

24 Fair value measurements

Financial instruments by category

Particulars	March 31, 2025			March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	300.70	-	-	300.70	-
- Other funds	35.00	-	-	35.00	-	-
- Equity share of TVS Credit Services to be retained		4,469.51			3,161.36	
Loan			162.99			156.25
Trade receivable			743.45			743.45
Cash and cash equivalents	-	-	358.60	-	-	78.87
Other Bank Balances			-			350.35
Receivable towards sale of property	-	-	6,298.05	-	-	6,643.34
Total financial assets	**35.00**	**4,770.21**	**7,563.09**	**35.00**	**3,462.06**	**7,972.26**
Financial liabilities						
Borrowings	4,613.05	-	-	4,252.12	-	-
Trade payables	-	-	120.22	-	-	176.28
Payable towards purchase of Investments	-	-	-	-	-	-
Other financial liabiity	-	-	134.79	-	-	134.34
Total financial liabilities	**4,613.05**	**-**	**255.01**	**4,252.12**	**-**	**310.62**

FVTPL:- Fair Value through Profit and loss

FVOCI:- Fair Value through Other comprehensive Income

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements to provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Notes	At 31 March 2025	At 31 March 2024
Level 3 Measurements			
Financial Assets			
Investments	4	4,805.21	3,497.06
Total financial Assets		**4,805.21**	**3,497.06**
Financial liabilities			
Borrowings	15	4,613.05	4,252.12
Total financial liabilities		**4,613.05**	**4,252.12**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	Notes	At 31 March 2025	At 31 March 2024
Level 3 Measurements			
Financial assets			
Loan	5	162.99	156.25
Trade receivable	8	743.45	743.45
Cash and cash equivalents	9	358.60	78.87
Other Bank Balances	9a	-	350.35
Other Financial Assets	10	6,298.05	6,643.34
Total financial assets		**7,563.09**	**7,972.26**
Financial liabilities			
Payable towards purchase of Investments	17	-	-
Trade payables	16	-	-
Other financial liabiites	17	-	-
Total financial liabilities		**-**	**-**

Level 1:
Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2:
The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3:
If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of entity specific growth rates and discount rates applicable to the entity
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2

(iii) Fair value measurements using significant unobservable inputs (level 3)

Particulars	Preference shares
As at 1 April 2023	**3,919.45**
Issue/ (redemption)	-
Fair value recognised through reserves	-
Fair value recognised in profit or loss	332.66
Fair value recognised in OCI	-
As at 31st March 24	**4,252.12**

Particulars	Preference shares
As at 1 April 2024	**4,252.12**
Issue/ (redemption)	-
Fair value recognised through reserves	-
Fair value recognised in profit or loss	360.93
Fair value recognised in OCI	-
As at 31st Mar 25	**4,613.05**

(iv) Valuation processes

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset and Earnings growth factor.

Risk adjustments have been derieved based on the market risk premium adjusted for companies relevered financial data

(v) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31-Mar-25		31-Mar-24	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loan	162.99	162.99	156.25	156.25
Trade receivable	743.45	743.45	743.45	743.45
Cash and cash equivalents	358.60	358.60	78.87	78.87
Other Bank balances	-	-	350.35	350.35
Receivable towards sale of property	6,298.05	6,298.05	6,643.34	6,643.34
Total financial assets	**7,563.09**	**7,563.09**	**7,972.26**	**7,972.26**
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	120.22	120.22	176.28	176.28
Payable towards purchase of Investments	-	-	-	-
Other financial liabiity	134.79	134.79	134.34	134.34
Total financial liabilities	**255.01**	**255.01**	**310.61**	**310.61**

The carrying amounts of trade receivables, receivables for sale of property, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

25 Financial risk management

The company's activities expose it to liquidity risk and credit risk.

(A) Credit risk

Credit risk arises from cash and cash equivalents, and receivables for sale of property

Credit risk is on cash and cash equivalents are managed by depositing in high rated banks/institutions are accepted and company faces negligible credit risk on receivable from sale of property

(B) Liquidity risk

Company is managing liquidity risk by issue of Preference Shares

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

31 March 2025	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Greater than 2 years	Total
Non-derivatives					
Convertible Preference Shares	-	5,000.00	-		5,000.00
Payable towards purchase of Investments	-	-		-	-
Trade payables	-	0.73	1.37	118.13	120.22
Other financial liabilities	-	134.79	-	-	134.79
Total non-derivative liabilities	**-**	**5,135.52**	**1.37**	**118.13**	**5,255.01**

31 March 2024	Less than 3 months	Between 3 Months and 1 year	Between 1 and 2 years	Greater than 2 years	Total
Non-derivatives					
Convertible Preference Shares	-	-	5,000.00	-	5,000.00
Payable towards purchase of Investments	-	-		-	-
Trade payables	176.28	-	-	-	176.28
Other financial liabilities	134.34	-	-	-	134.34
Total non-derivative liabilities	**310.61**	**-**	**5,000.00**	**-**	**5,310.62**

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

26 Capital management

Risk management

The company's objectives when managing capital are to

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet).

The company's strategy is to maintain a optimal gearing ratio. The gearing ratios were as follows:

Particulars	March 31, 2025	March 31, 2024
Net debt	4,254.45	3,822.90
Total equity	17,790.01	17,172.29
Net debt to equity ratio	**0.24**	**0.22**

27 Segment information

Description of segments and principal activities

The Company has identified its Board of Directors as chief operating decision maker (CODM) .They review the entire operations of the entity as one.Hence, the Company has only one operating segment which are all as reflected in the financial statements as at and for the year ended March 31, 2025.

28 Contingent Liabilities not provided for

Particulars	March 31, 2025	March 31, 2024
Disputed Income Tax Demand (of this 70.11 lakhs has been paid for stay of demand) for the FY 17-18	397.27	467.46
Disputed Income Tax Demand (of this 0.01 lakhs has been paid for stay of demand) for the FY 16-17	0.09	0.09

29 Related party transactions

(a) Holding Entity

Name of the Entity

TVS Motor Company Limited (Effective 7th Sep'17), Chennai

(b) Ultimate Holding Entity

TVS Holdings Limited

(c) Fellow Subsidiaries involving transactions

Name of the Entity

TVS Credit Services Limited, Chennai

(d) Key management personnel compensation

(e)Transactions with related parties

The following transactions occurred with related parties:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
TVS Motor company			
Interest payable towards purchase of Investment	-	-	323.81
Preference shares Investment	-	-	5,000.00
TVS Credit Services Ltd			
Payment toward purchase of investments	-	-	4,133.93

(f) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Receivables:			
TVS Motor Company Limited	-	-	267.16

Notes to Balance Sheet and Statement of Profit and Loss

(All amounts in Lakhs, unless otherwise stated)

30 Additional Note

Disclosure of Ratios

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2025	Ratio 31.03.2024	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	6.04	6.34	-4.75%	
(b) Debt-equity ratio	Borrowings net of cash and cash equivalents	Shareholders' fund	0.24	0.22	7.42%	
(c) Debt service coverage ratio	Profit after Tax + Non Cash Expense + Interest on borrowings + Loss on sale of fixed assets	Interest on term loans + Principal of term loans	0.00%	0.00%	0.00%	
(d) Return on equity ratio	Profit after tax	Equity share capital	-0.02	0.00	477.84%	On account of Non operating Income in the P/L
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	
(f) Trade receivables turnover ratio	Net Credit Sales	Average accounts receivable	NA	NA	NA	
(g) Trade payables turnover ratio	Net Credit Purchase	Average accounts payable	NA	NA	NA	
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	NA	NA	NA	
(i) Net profit ratio	Profit after tax	Revenue from operations	NA	NA	NA	
(j) Return on capital employed	EBIT	Shareholders' fund+ Long term borrowings	0.00%	1.27%	99.90%	On account of Non operating Income in the P/L
(k) Return on investment	Profit after tax	Average Investment	-2.17%	-0.52%	-321.77%	On account of Non operating Income in the P/L

31 Additional regulatory information not disclosed elsewhere in the standalone financial statements

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(b) Transactions and balances with companies which have been removed from Register of Companies [struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency or Virtual Currency during the year.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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

(f) The Company has not received fund from any person(s) or entity(is), 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,

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company has not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or any government authority.

As per our report of event date
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Place: Chennai
Date:26-04-2025
UDIN: 23027716BGYLRZ9326

For and on behalf of the Board

K N Radhakrishnan
Director
02599393

Sasikala Varadachari
Director
07132398

V R Karuanakara Reddy
Chief Executive Officer

S Sridhar
Chief Financial Officer

KS Srinivasan
Company Secretary

Directors' Report to the Shareholders

The directors are pleased to present the Fourth annual report and the audited financial statements for the year ended 31st March 2025.

Financial Highlights

The Company is yet to commence its business.

Preparation of financial statements under Indian Accounting Standards

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, TVS Motor Company Limited (TVSM), the holding company, is required to adopt Indian Accounting Standards ("IND AS") from financial year 2016-17.

In terms of Rule 4(1)(ii) of the aforesaid rules, the holding, subsidiary, joint venture and associate companies are required to comply with Ind AS from financial year 2016-17 onwards. Accordingly, the financial statements of the Company for the period ended 31st March 2025 have been prepared in compliance with the said rules.

Dividend

The Directors of the Company do not recommend any dividend for the period ended 31st March 2025.

Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations. The internal control system is supported by the internal audit (IA) process. The IA department evaluates the efficacy and adequacy of Internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

Directors' responsibility statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby stated that:

i. in the preparation of the annual accounts for the year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

ii. the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the directors had prepared the accounts for the financial year ended 31st March 2025 on a going concern basis;

v. that the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. 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.

Board of Directors

During the year under review Mr Kuok Meng Xiong, Independent Director resigned from the Board effective 5th August 2024.

As on 31st March 2025, Mr Venu Srinivasan, Mr Sudarshan Venu and Prof. Sir Ralf Dieter Speth are Directors of the Company.

Directors liable to retire by rotation

In terms of the Articles of Association of the Company and the applicable provisions of the Act 2013, Prof. Sir Ralf Dieter Speth, Director has been the longest in office, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Board Meetings

During the period under review, the Board met 4 times on 8th May 2024, 6th August 2024, 23rd October 2024 and 28th January 2025. The gap between two meetings did not exceed one hundred and twenty days.

Statutory Auditors

In terms of Section 139 of the Act, 2013, read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s V. Sankar Aiyar & Co., Chartered Accountants, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, have been appointed as statutory auditors of the Company for five years till the conclusion of the Sixth Annual General Meeting of the Company at such remuneration in addition to reimbursement of all applicable taxes, out-of-pocket, travelling and other expenses, etc., as may be decided between the Board of Directors of the Company.

The Statutory Auditors will continue to hold office for the fourth year in the first term of five consecutive years, from the conclusion of this Annual General Meeting.

The Auditors' Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark and the same is attached as part of the annual financial statements.

Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

(a) details relating to deposits covered under Chapter V of the Act;

(b) issue of equity shares with differential rights as to dividend, voting or otherwise;

(c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

(d) raising of funds through preferential allotment or qualified institutions placement;

(e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(f) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of one-time settlement with any bank or financial institution.

Corporate Social Responsibility (CSR)

During the year under review, the provisions of Section 135 of the Act, 2013, and the rules made thereunder concerning Corporate Social Responsibility (CSR) are not applicable to the Company as the Company does not meet the criteria laid out in the said section, i.e., net worth, turnover, or net profit thresholds specified under Section 135(1) of the Companies Act, 2013. Hence, the Company is not required to constitute a CSR Committee or undertake any CSR activities as per the said provisions.

Vigil Mechanism

Company is not required to establish vigil mechanism in terms section 177 of the Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules,2014.

Secretarial Audit Report

During the year under review, the provisions of Section 204 of the Act, 2013, and the rules made thereunder concerning Secretarial Audit is not applicable to the Company. The Company does not meet the criteria laid out in the said section, i.e., paid up capital or turnover or borrowings thresholds specified under Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Employee's remuneration:

There are no employees on the rolls of the Company, hence there is no disclosure under Section 197(12) of the Act 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of loans / guarantees / investments made:

As regards the furnishing the details of loans, guarantees and investments made by the Company as per Section 186 of the Act 2013 for the financial year 2024-25, the Company has not extended any guarantee or has given loans to other companies or made any investment during the year under review.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards as amended from time to time.

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo etc.,

The information do not apply to the Company, as the Company has not yet commenced its operations.

During the period under review, there were no foreign exchange earnings or expenditure in the Company.

Related Party Transactions

During the year under review, there were no related party transactions.

Maintenance of cost records

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year.

As the Company is yet to commence its operations, it does not require to maintain any cost records.

Reporting of fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company was not required to constitute an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since there are no employees in the Company.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

Acknowledgement

The directors gratefully acknowledge the continued support and co-operation received from the holding Company, namely, TVS Motor Company Limited, and bankers for their continued support and assistance..

For and on behalf of the Board

Place : Chennai
Date : 28th April 2025

VENU SRINIVASAN
Director
DIN: 00051523

SUDARSHAN VENU
Director
DIN: 03601690

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of TVS Electric Mobility Limited

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of TVS Electric Mobility Limited ("the Company"), which comprise the Balance sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and Loss, Other total Comprehensive Income, Changes in Equity and 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management and Discussion Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the financial statements.

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Act, we give in the Annexure 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 and proper returns adequate for the purposes of our audit of the branches have been received from the branches not visited by us.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts and with the returns received from the branches not visited by us.

(d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) 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), 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company does not have any pending litigations which would impact its financial position.

b. The Company did not have any long-term contracts including derivative contracts.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. i Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer note no.15 (viii)), 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(is), 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.

ii Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer note no.15(ix)), 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

iii Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause (i) and (ii) above, contain any material misstatement.

e. No dividend has been declared or paid during the year by the Company.

f. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act.

In our opinion and according to the information and explanations given to us, the Company has not paid remuneration to its directors during the current year and hence, applicability of the provisions of Sec 197 of the Act does not arise. The Ministry of Corporate Affairs has not prescribed other details under Sec 197(6) which are required to be commented upon by us.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN 25224922BMIULO8134

K BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 28th April, 2025

Annexure A to Independent Auditor's Report - 31 March 2025

(Referred to in our report of even date)

The Company was incorporated on 13th December 2021 and has not commenced its operation as on 31 March 2025. Further, During the year, the Company

- has not acquired Property, Plant and Equipment, intangible assets and inventory.
- has not made any investments, given any loans, advances in the nature of loan, guarantee and security.
- has not received any loans and deposits.
- has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
- has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures.

Therefore, the clauses 3 - (i), (ii), (iii), (iv), (v), (vi), (viii), (ix), (x), (xi), (xiv), (xvi), (xix), (xx) and (xxi) of the Order, are not applicable. Hence, reporting requirements under these clauses do not arise. Other clauses are reported hereunder.

(vii) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is yet to commence its operations and hence statutory dues namely Employees' Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs duty and Cess and other material statutory dues have not been recovered or liability created as at year end, in the books of accounts. Hence, requirement to report under clauses 3 (vii) (a) and (b) of the order is not applicable to the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

(xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has incurred cash losses in the current year and in the immediately preceding financial year respectively as below.

Financial year	Cash Loss (in Rs)
2024 – 2025	10,000.00
2023 – 2024	10,000.00

(xviii) There has been no resignation of the statutory auditor during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN 25224922BMIULO8134

K BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 28th April, 2025

Annexure "B" to Independent Auditors' Report 31st March 2025

(Referred to in our report of even date)

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

1. We have audited the internal financial controls with reference to financial statements of TVS Electric Mobility Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Companies Act, 2013.

Auditor's Responsibility

3. 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

6. 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 financial statement 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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial Control with reference to financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V. SANKAR AIYAR & CO.,
Chartered Accountants
ICAI Regd. No.109208W

UDIN 25224922BMIULO8134

K BALAJI
Partner
Membership No. 224922

Place : Chennai
Date : 28th April, 2025

Balance Sheet as at 31st March 2024

(in Rs.)

Particulars	Note No	As at 31st March 2025	As at 31st March 2024
ASSETS			
Current Assets			
Financial Assets			
Cash and Cash Equivalents	2	1,00,00,000	100,00,000
TOTAL ASSETS		**1,00,00,000**	**1,00,00,000**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	3	1,00,00,000	1,00,00,000
Other Equity	4	(40,000)	(30,000)
TOTAL EQUITY		99,60,000	99,70,000
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Trade Payables			
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (a) above	5	40,000	30,000
TOTAL LIABILITIES		40,000	30,000
TOTAL EQUITY AND LIABILITIES		**1,00,00,000**	**1,00,00,000**
Significant Accounting Policies forming part of financial statements	1		
See the accompanying notes to the financial statements			

As per our report even date
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

K. BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 28th April, 2025

For and on behalf of the Board of Directors

VENU SRINIVASAN
Director
DIN:00051523

SUDARSHAN VENU
Director
DIN: 03601690

Statement of Profit and Loss for the period ended 31st March 2025

(In Rs.)

Particulars	Note No	For the period 1st Apr 2024 to 31st Mar 2025	For the period 1st Apr 2023 to 31st Mar 2024
REVENUE			
Revenue from operations		-	-
TOTAL INCOME		-	-
EXPENSES			
Other expenses	6	10,000	10,000
TOTAL EXPENSE		10,000	10,000
Loss before tax		**(10,000)**	**(10,000)**
Tax expense		-	-
Loss after tax for the year		**(10,000)**	**(10,000)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(10,000)**	**(10,000)**
Earning per equity share:			
Basic & Diluted earnings per share	7	(0.00)	(0.00)
Significant Accounting Policies forming part of financial statements	1		
See the accompanying notes to the financial statements			

As per our report even date
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

K. BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 28th April, 2025

For and on behalf of the Board of Directors

VENU SRINIVASAN
Director
DIN:00051523

SUDARSHAN VENU
Director
DIN: 03601690

Cash Flow Statement for the year ended 31st March 2025

(In Rs.)

Particulars		As at 31st March 2024	As at 31st March 2023
A.	**Cash Flow from Operating Activities**		
	Loss Before Tax	(10,000)	(10,000)
B.	Operating loss before Working Capital Changes	(10,000)	(10,000)
C.	Adjustments for changes in Working Capital		
	Trade payables	10,000	10,000
D.	**Net Cash from Operating Activities**	-	-
E.	**Net Cash from Investing Activities**	-	-
F.	**Net Cash Flow from Financing Activities**		
	Proceeds from Issue of Equity Shares	-	-
	Net Cash from Financing Activities	-	-
G.	**Net change in Cash and Cash Equivalents (D+E+F)**	-	-
H.	Cash and Cash Equivalents as at End	1,00,00,000	1,00,00,000
I.	Less: Cash and Cash Equivalents as at Beginning	1,00,00,000	1,00,00,000
	NET CHANGE IN CASH & CASH EQUIVALENTS (H-I)	-	-
Note: The above statement of cash flow is prepared using indirect method			

As per our report even date
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

K. BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 28th April, 2025

For and on behalf of the Board of Directors

VENU SRINIVASAN
Director
DIN:00051523

SUDARSHAN VENU
Director
DIN: 03601690

Statement of Changes in Equity

A Equity Share Capital

Particulars	Rs.
As at 31-03-2023	1,00,00,000
Changes in equity share capital due to prior period errors	-
	1,00,00,000
Change in equity share capital during the year	-
As at 31-03-2024	1,00,00,000
Changes in equity share capital due to prior period errors	-
	1,00,00,000
Change in equity share capital during the year	-
As at 31-03-2025	1,00,00,000

B Other equity

Particulars	Retained earnings	Other reserves	Total
Balance as at 01-04-2023	**(20,000)**	**-**	**(20,000)**
Add : Profit for the year 2023-24	(10,000)	-	(10,000)
Add : Other comprehensive income for the year 2023-24	-	-	-
Balance as at 31-03-2024	**(30,000)**	**-**	**(30,000)**
Add : Profit for the year 2024-25	(10,000)	-	(10,000)
Add : Other comprehensive income for the year 2024-25	-	-	-
Balance as at 31-03-2025	**(40,000)**	**-**	**(40,000)**

As per our report even date
For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No.: 109208W

K. BALAJI
Partner
Membership No.: 224922

Chennai
Dated: 28th April, 2025

For and on behalf of the Board of Directors

VENU SRINIVASAN
Director
DIN:00051523

SUDARSHAN VENU
Director
DIN: 03601690

1. MATERIAL ACCOUNTING POLICIES

a) Brief description of the Company

TVS Electric Mobility Limited ('the Company') is a public limited company incorporated on 13th December 2021 and domiciled in India. The registered office is located at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India.

These financials statements have been approved for issue by the Board of Directors at its meeting held on 28th April 2025.

b) Basis of preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical Cost Convention

The financial statements have been prepared on a historical cost convention under accrual basis of accounting except for the following:

- certain financial assets and liabilities is measured at fair value;
- defined benefit plans – plan assets measured at fair value;

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

d) Revenue recognition

Performance obligation:

The revenue is recognized on fulfillment of performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

The Company recognizes revenue on completion of performance obligations as per the customer specifications as specified in the agreement and when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria for recognition have been met. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Significant judgements:

There are no significant judgements made by the Company in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract.

e) Property, Plant and Equipment (PPE)

Property, plant and equipment (including land, building, furniture and fixtures, office equipment, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes.

Property plant and equipment are stated at historic cost less depreciation and impairment, if any. Cost includes purchase price, taxes and duties, labor cost and directly attributable overhead expenditure incurred up to the date the asset is ready for its intended use. However, cost excludes all duties and taxes wherever credit of the same is availed.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains or Losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income/expense.

f) Depreciation and amortization

The company depreciates the carrying amount of the assets over the remaining useful life of the assets as per schedule II of the Companies Act, 2013 under straight line method, except in the case of Computers, Mobile phones, Vehicles, and Plant and Machinery which are charged over 3.33 years, 2 years, 5.56 years and 6.67 years respectively which are different from the useful life given under the said schedule, based on internal technical valuation of useful life being shorter than specified in schedule. Improvement on leased property is depreciated over the primary lease period. Depreciation on PPE added or disposed off during the year is calculated on pro-rata basis with reference to the date of addition/disposal.

g) Intangible assets

Intangible assets are stated at original cost net of tax / duty credits availed, if any, less accumulated amortization and cumulative impairment. Intangible assets are recognized when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets being Software cost is amortized at 50% per annum on straight line method.

h) Inventories

i) Stock-In-Trade

Land is valued at the lower of cost and net realizable value. Cost includes cost of acquisition and all related costs.

ii) Work-In-Progress

Work in Progress is valued at cost. Cost includes cost of construction and services, employee cost, other overheads related to project under construction and borrowing cost.

i) Employee benefits

(i) Short term obligations:

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

(ii) Other long-term employee benefit:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee

up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

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

(iii) Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity and pension for its eligible employees, and

b) Defined contribution plans such as provident fund.

iv) Pension and Gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

v) Provident fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to Provident Fund authority. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

vi) Bonus plans:

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

j) Income Tax

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

k) Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit and loss of the period in which it becomes available.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected lives of the related assets.

The benefit of a government loan at a below market-rate of interest is treated as government grant and is measured as the difference between proceeds received and fair value of the loan.

l) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Company has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

m) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

n) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

p) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the intention to collect the contractual cash flows and therefore measures them subsequently at amortized cost using effective interest method, less loss allowance.

q) Investments and Other financial assets

i) Classification

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At Initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments.

Amortized Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through profit or loss:

Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when:

a) The Company has transferred the rights to receive cash flows from the financial asset or

b) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

v) Income recognition

Interest Income:

Interest income is recognized on time proportion basis, determined by the amount outstanding and the rate applicable.

While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

Dividends:

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

r) Functional Currency:

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

Transactions and balances:

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the date of transaction.

Exchange differences arising on settlement of transactions are recognized as income or expense in the year in which they arise.

s) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are usually unsecured and paid within the credit periods. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using effective interest method.

t) Borrowings:

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

u) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

v) Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. *However, the has elected not to separate lease* and non-lease components and instead accounts for these as a single lease component.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

w) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading or
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle:

The normal operating cycle in respect of operation relating to real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realization of project into cash & cash equivalents and range from 3 to 7 years. Accordingly, assets & liabilities have been classified into current & non-current based on operating cycle.

x) Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for new equity shares issued during the year (Note No.7)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

577

Notes to the Financial Statements - *(Continued)*

Notes to Balance Sheet

(In Rs.)

		Amount as at 31-Mar-24	Amount as at 31-Mar-23
2	CASH AND CASH EQUIVALENTS		
	Balances with banks	1,00,00,000	1,00,00,000
	Total	1,00,00,000	1,00,00,000

3 EQUITY SHARE CAPITAL

(a) Authorised, issued, subscribed and fully paid up

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Authorised:				
Equity shares of Re.1/- each	1,00,00,000	1.00	1,00,00,000	1.00
Issued, subscribed and fully paid up:				
Equity shares of Re.1/- each	1,00,00,000	1.00	1,00,00,000	1.00
	1,00,00,000	1.00	1,00,00,000	1.00

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rupees in crores	Number	Rupees in crores
Shares outstanding at the beginning of the year	1,00,00,000	1.00	1,00,00,000	1.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,00,00,000	1.00	1,00,00,000	1.00

(c) (i) Rights and preferences attached to equity share:

Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act,2013.

(ii) There are no restrictions attached to equity shares.

(d) Shares held by Holding Company at the end of the year

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Motor Company Limited (Holding Company)	Equity	1,00,00,000	100.00	1,00,00,000	100.00

(e) Shareholders holding more than five percent at the end of the year (other than (d))

Name of shareholder	Class of share	As at 31-03-2025		As at 31-03-2024	
		No. of shares held	% of holding	No. of shares held	% of holding
Nil					

(f) Shares held by promoters at the end of the year 31.03.2023

Promoter name	Class of share	As at 31-03-2024		As at 31-03-2023	
		No. of shares held	% of holding	No. of shares held	% of holding
TVS Motor Company Limited (Holding Company)	Equity	1,00,00,000	100.00	1,00,00,000	100.00

4 OTHER EQUITY

Particulars	As at 31-03-2024	As at 31-03-2023
Retained earnings	(40,000)	(30,000)
Other Reserves	-	-
	(40,000)	(30,000)

5	TRADE PAYABLES		
	Dues to Micro and Small Enterprises **	-	-
	Dues to enterprises other than Micro and Small Enterprises	40,000	30,000
		40,000	30,000

** There are no transactions with Micro Small and Medium enterprises during the year

Notes to the Financial Statements - *(Continued)*

(In Rs.)

	Particulars	For the period 1st Apr 2024 to 31st Mar 2025	For the period 1st Apr 2023 to 31st Mar 2024
6	Other Expenses		
	Payment to statutory auditors	10,000	10,000
	Total Other Expenses	10,000	10,000
7	Earnings per share (Basic and Diluted)		
	Earnings attributable to equity share holders	(10,000)	(10,000)
	Number of Shares	1,00,00,000	1,00,00,000
	Earnings per Share	(0.00)	(0.00)

8 Fair Value Measurements

Particulars	As at 31-03-2024			As at 31-03-2023		
	FVTPL$	FVOCI *	Amortised cost	FVTPL$	FVOCI *	Amortised cost
Financial assets						
Cash and cash equivalents	-	-	1,00,00,000	-	-	1,00,00,000
	-	-	-	-	-	-
	-	-	1,00,00,000	-	-	1,00,00,000
Financial liabilities						
Trade payables	-	-	40,000	-	-	30,000
	-			-		
	-	-	40,000	-	-	30,000

* FVOCI - Fair Valued Through Other Comprehensive Income $ FVTPL- Fair Value Through Profit or Loss

Notes to the Financial Statements - *(Continued)*

9 Financial Risk Management - The Company is yet to commence the operation. Therefore, note relating to market risk, liquidity risk and credit risk along with mitigation parameters, note on Capital Management, Key Financial Ratios are not furnished.

10 Employee Benefit Obligation - The Company does not have employees and hence disclosure of employee obligation is not furnished.

11 Related party disclosures

(i) Related parties and their relationship where control exists :

Ultimate holding company - TVS Holdings Limited

Holding company - TVS Motor Company Limited

(ii) Key Management Personnel:

Mr. Venu Srinivasan, Director

Mr. Sudarshan Venu, Director

Prof. Sir Ralf Dieter Speth, Director

12 Disclosure under Micro, Small and Medium Enterprises Development Act,2006 - Nil

13 Payment to Auditors:

For Statutory audit - Rs. 10,000

14 Contingent liabilities, Contingent assets and other commitments - Nil

15 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

(i) The Company does not have any immovable property.

(ii) The Company does not have any investment property.

(iii) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

(iv) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(v) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2024.

(vi) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

(ix) The Company have 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:

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

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

(x) The Company has not operated in any crypto currency or Virtual Currency transactions

(xi) During the year the Company has not disclosed or surrendered, any income other than the income recoginsed in the books of accounts in the tax assessments under Income Tax Act, 1961.

(xii) The Company does not have any Property, Plant & Equipment (PPE) and Intangible Assets , hence revaluation of Property, Plant & Equipment (PPE) and Intangible Assets are not applicable.

(xiii) The Company does not have any sanctioned facilities from banks based on security of current assets. Hence, submission of quarterly returns to Banks is not applicable to the Company.

(xiv) The Company does not have any borrowings, hence "wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

The Directors have the pleasure of presenting the Seventeenth Annual Report and the audited accounts of the Company for the year ended 31st March 2025.

1. BUSINESS AND FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company are given below:

₹ in Crore

Particulars	Year ended	
	31st March 2025	31st March 2024
Revenue from Operations	6,626.10	5,789.72
Other Income	3.93	5.47
Total Income (A)	**6,630.03**	**5,795.19**
Finance Costs	1,863.32	1,653.64
Fees & Commission, Employee Benefit, Administrative & Other Operating Expenses	2,399.70	2,225.17
Impairment of Financial Instruments	1,295.36	1,127.05
Depreciation and Amortisation Expenses	46.20	27.39
Total Expenses (B)	**5,604.59**	**5,033.25**
Profit / (Loss) before Tax & Exceptional Item (A) - (B)	**1,025.44**	**761.94**
Less: Exceptional Items	-	-
Profit / (Loss) before Tax	**1,025.44**	**761.94**
Less: Tax Expense		
- Current Tax	323.80	307.64
- Deferred Tax	(65.61)	(117.53)
Profit / (Loss) after Tax	**767.25**	**571.83**
Other Comprehensive Income	(15.08)	(20.69)
Total Comprehensive Income	**752.17**	**551.14**

Company's Performance

This fiscal year 2025, the Company has completed 15 years of operations, an important milestone to celebrate in this journey till date. The Company registered a growth of 5% in disbursements from ₹25,018 crore to ₹26,301 crore for the financial year ended 31st March 2025. The Company ended the year with assets under management (AUM) of ₹26,647 crore as against ₹25,900 crore as of the end of the previous year, registering a growth of 3%. AUM of the Company is well diversified with various portfolios and % of total loans as of 31st March 2025 are as follows: Retail Finance business - Two-Wheeler Loans (28%) and Used Car Loans (8%), Commercial Finance business - Tractor Loans (17%), Used Commercial Vehicle Loans (12%) and Business Loans (2%) and Consumer Finance business – Consumer Durable Loans (15%) and Personal Loans (17%).

Total income during the financial year ended 31st March 2025 increased to ₹6,630 crore from ₹5,795 crore, an increase of 14.4% over the previous year. The profit before tax and exceptional items for the year stood at ₹1,025 crore as against ₹762 crore during the previous year, registering a growth of 34.5%.

The above financial performance is based on Indian Accounting Standards - (IND-AS). The Company had adopted IND-AS reporting from 1st April 2018 with an effective transition date of 1st April 2017 pursuant to MCA notification dated 31st March 2016, and the financial statements have been prepared in accordance with Division III of Schedule III of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA) on 11th October 2018.

Key Product-wise Performance during the Financial Year

Two-Wheeler Loans: AUM of two-wheeler loans have increased from ₹6,970 crore to ₹7,483 crore as of March 2025 registering a growth of 7.4%. The Company continues to be the leading financier for TVS Motor Company Ltd, the holding Company.

Used Car Loans: AUM of Used car loans as of March 2025 is at ₹2,235 crore against ₹2,132 crore as at March 2024, registering an increase of 4.8%.

Tractor Loans: There has been degrowth in the disbursements in both the New tractor loans and Used tractor loans during this fiscal, which resulted in the reduction in the AUM of New tractors from ₹2,798 crore to ₹1,809 crore as of March 2025 and in AUM of Used tractors from ₹2,685 crore to ₹2,591 crore as of March 2025, registering a decrease of 35% and 4% respectively. This is on primarily on account of the conscious decision taken by the Company to implement necessary credit interventions given the recent stress noted in this portfolio over the last two fiscal years in addition to the rundown of the earlier book.

Used Commercial Vehicle Loans: The Used commercial vehicle loans portfolio comprising medium, heavy, small and light commercial vehicles has increased marginally from ₹3,219 crore to ₹3,265 crore as of March 2025 on account of necessary credit interventions undertaken in the last one year due to stress in the segment.

Consumer Durable Loans: During this fiscal, the number of loans increased by 34% from 34 lakh loans to 46 lakh loans. AUM of consumer durable loans has increased from ₹2,734 crore to ₹4,047 crore, registering a growth of 48% over the corresponding previous year.

Personal Loans: The personal loans portfolio as of March 2025 is at ₹4,531 crore, registering a decrease of 5.6% from ₹4,802 crore as of March 2024, owing to the necessary credit interventions undertaken in the light of the recent stress noted in the portfolio coupled with the overleverage in the market across players.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

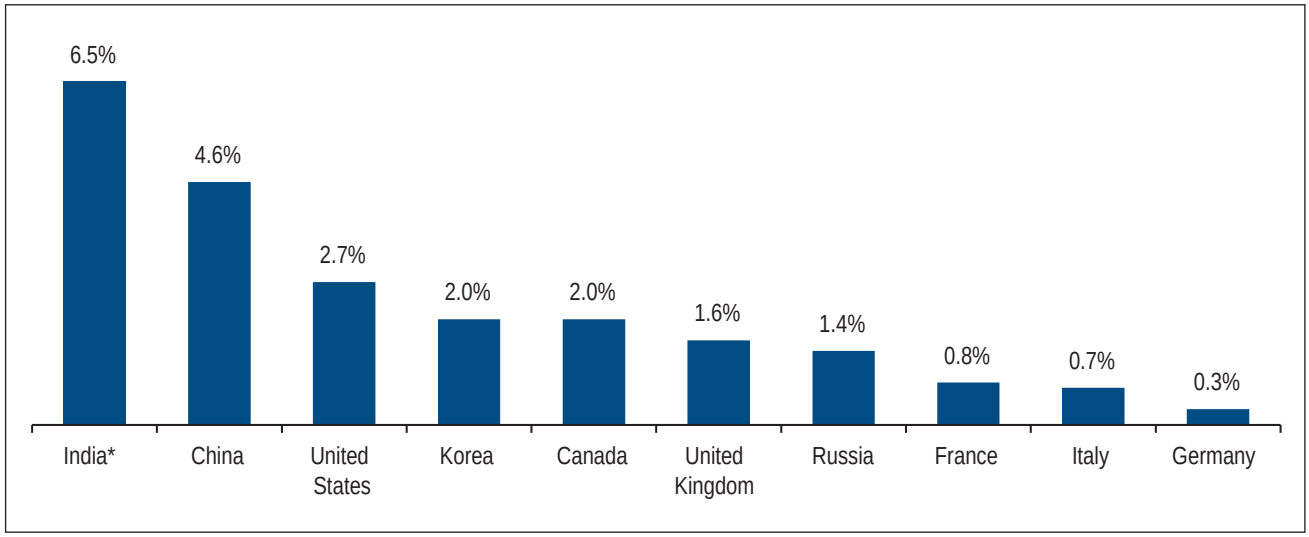
India's economic growth has been resilient against global headwinds consistently post COVID for the last four fiscals. India is the fifth-largest economy in the world in terms of GDP and it continues to maintain its position as one of the fastest-growing economies globally.

Indian economy's growth momentum to continue in fiscal 2025, outpacing global peers

As per the estimates published by RBI and National Statistical Office (NSO), India's real gross domestic product (GDP) is estimated to have grown by 6.5% in Financial Year 2024-25 over last year. According to the NSO's estimates, India's real gross value added (GVA) is expected to grow at 6.4% in fiscal 2025, compared with 8.6% in fiscal 2024. The 'financial, real estate and professional services' sector maintained its dominant share in the sectoral composition of nominal GVA, with a growth rate of 7.2% in fiscal 2025.

Private consumption, driven by a rebound in rural demand amid improved agricultural prospects has largely supported India's economic growth in fiscal 2025. Services sector also remained steady during the fiscal. Another factor that supported growth in fiscal 2025 was softer headline consumer price inflation, which is estimated to be around 4.6%, a decline from 5.4% in fiscal 2024, due to lower food inflation. However, the second half of fiscal 2025 witnessed high global prices, import duties and a weaker currency.

Real GDP growth for major global economies, CY25



*Note: *For India, data is presented on a fiscal year basis (April 2024 – March 2025).*
Source: IMF WEO January 2025, Crisil Intelligence

GDP growth to hold steady in fiscal 2026

India's GDP is forecasted to normalise at 6.5% in fiscal 2026, assuming the upcoming monsoon season to be normal and commodity prices to remain soft. Private consumption is expected to recover further, while investment growth hinges on the capex investments by the private sector.

Private consumption is expected to register growth supported by strong agricultural production and lower food inflation, leading to increased discretionary spending. The Reserve Bank of India's (RBI) recent easing of monetary policy is also expected to support consumer spending. After a 25-basis point rate cut in February 2025, the RBI made another 25-basis point cut in April 2025, bringing the repo rate down to 6.00%.

The Monetary Policy Committee has adopted an 'accommodative stance', citing low inflation and moderate growth, and is expected to bring in two more 25 basis point rate cuts in fiscal 2026. However, the RBI remains vigilant about global economic challenges and expected to leverage necessary liquidity management tools to mitigate potential volatility.

Growth in fiscal 2026 is expected to be driven by the following factors:

- On the fiscal front, the government's capex is budgeted at 3.1% of GDP, similar to that of previous fiscal. Capex for fiscal 2026 is budgeted at ₹11.2 lakh crore, up 10% from ₹10.2 lakh crore in fiscal 2025
- Healthy domestic consumption, particularly in fast-moving consumer goods, consumer durables and two-wheelers
- The government has reduced the income tax rates under the new tax regime, potentially increasing the disposable income in the hands of the middle class and the revision in tax slabs would potentially reduce the tax burden across income levels
- The policy rate cuts by RBI are expected to support consumption, as these will gradually get transmitted to other interest rates in the economy, thus lowering borrowing costs
- Along with measures to spur consumption in the short term, the Union Budget 2025-26 also looks to improve employment and skilling, as these two factors will help push up permanent incomes and strengthen consumption in the medium-to-long term

Rural consumption momentum to persist in fiscal 2026, driving economic growth

India's rural sector has been a key driver of the country's consumption growth in recent years and is expected to continue this trend in fiscal 2026. A normal monsoon, healthy farm income, and government support are anticipated to boost rural demand, with the agricultural sector's positive outlook having a ripple effect on the broader rural economy.

The government's increased allocation for rural development, including an increase of 8% year-on-year in the Department of Rural Development's budget, to support rural incomes and consumption. key schemes such as Pradhan Mantri Awas Yojana (PMAY) and Pradhan Mantri Gram Sadak Yojana (PMGSY) received a 23.7% allocation increase, primarily benefiting lower-income households and driving consumption.

The rural sector would also benefit from sustained support under schemes, such as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and PM-Kisan, as well as an increased loan limit under the Kisan Credit Card, which will enhance the cash flow for about 7.7 crore farmers. Further, new initiatives aim to improve farmers' income and food security, while addressing food inflation through climate-resilient and sustainable crop production.

Growth in rural demand is also reflected in the sales of key products such as two-wheelers, three-wheelers and tractors. Domestic tractor sales projected to expand at a 4-6% compound annual growth rate (CAGR) during fiscals 2024 to 2029, while two-wheeler sales expected to record a CAGR of 7-9% during the same period.

Agriculture GVA is expected to close with a 3.8% growth in fiscal 2025, driving demand for two-wheelers and tractors, and the trend is expected to continue in fiscal 2026, contingent on a favourable monsoon. Furthermore, the 14% increase in reservoir storage levels would support the cultivation of Rabi crops, while the higher Minimum Support Prices (MSPs) is likely to enhance the profitability of these crops, thereby boosting the outlook for tractor and two-wheeler sales.

Growing middle-class population and financial inclusion to drive mid-term growth

Over the past decade, the proportion of Middle India – households (annual income between ₹ 0.2 million and ₹ 1.0 million) has been steadily increasing, driven by rising GDP and household incomes. This trend is expected to continue, with India's per-capita Net National Income (NNI) at constant prices growing at a CAGR of 7.5% between fiscals 2021 and 2025.

Rising disposable income and changing lifestyles are driving a surge in discretionary spending, which is evident in the growing share of discretionary items in the consumption basket of both rural and urban areas. Between fiscals 2012 and 2024, this share has increased from 47% to 53% in rural areas and from 57% to 60% in urban areas, according to the Household Consumer Expenditure Survey (HCES) 2023-24 by the Ministry of Statistics and Programme Implementation (MoSPI).

Consumers are increasingly seeking value and convenience, driving demand for premium products – a trend that is expected to persist. As financial health improves, consumers are aspiring to upgrade their lifestyles, fuelling demand for credit to finance purchases such as vehicles and consumer durables.

Notably, data from the MoSPI shows a considerable uptick in household financial savings as a percentage of GDP, rising to 5.2% in fiscal 2024 from 5.0% in fiscal 2023. Despite this progress, credit penetration remains relatively low, offering a substantial opportunity for lenders to tap into this untapped market, expand their customer base and gain market share.

India's digital infrastructure remains a key driver of economic expansion

The proliferation of digital platforms and the gig economy, fuelled by digitalisation, has significantly expanded the scope for economic growth in India. The development of foundational digital infrastructure, including Aadhaar, India Stack (unified software platform with set of open APIs), and payments infrastructure, has been a key driver of growth in the financial and other services sectors. Technology has played a vital role in reducing the cost of reaching smaller markets, and expedited the ability of the businesses to reach these markets thereby fostering greater financial inclusion.

The government's initiatives have been instrumental in promoting digital payments and financial inclusion. Between April 2024 and January 2025, India witnessed an impressive 18,121 crore transactions (in volume) worth ₹2,331 lakh crore of digital payments. The Unified Payments Interface (UPI) has been a game-changer facilitating easy transactions using a simple authentication method and linking smartphones with bank accounts. During the same period, UPI facilitated 15,146 crore transactions, amounting to ₹214 lakh crore, with a notable 84% share of total digital payment volumes. The government has continued to build on this momentum, with the RBI recently announcing plans to broaden the UPI scope by allowing transfers to and from pre-sanctioned credit lines with banks.

Over the past few years, the government has also taken various initiatives in accelerating digital infrastructure development through a range of initiatives, such as the Trade Receivables e-Discounting System (TReDS), E-KYC, Aadhaar-based authentication and DigiLocker. By leveraging cutting-edge technologies and integrating them, this digital revolution has strengthened the country's digital backbone, enabling faster, more-secure and more-efficient transactions.

Risks and concerns

The recent surge in US tariffs poses a risk of dumping in the Indian market, which could potentially impact domestic prices. Moreover, the threat of extreme weather events, exacerbated by climate change, remains a concern.

Meanwhile, the considerable outflow of foreign portfolio investments and the rupee's sharp volatility against the US dollar have led to a liquidity drain in the banking system. The RBI maintains ample forex reserves to cushion domestic markets from excess volatility and is expected to continue using its liquidity and foreign exchange tools to support financial conditions. Rupee has seen depreciation against dollar by ~2.5% in Financial Year 2024-25, against an annual depreciation of 3% seen in Financial Year 2023-24.

Cyber risk has emerged as a significant threat to the continued digitalization. As more individuals, businesses and Government services rely on digital infrastructure, the potential impact of cyber-attacks has increased exponentially. The Corporate India should look to invest in strengthening the digital infrastructure and security framework to address the threats from time to time.

Systemic credit slowed down in Financial Year 2024-25 and expected to witness steady growth in fiscal 2026

In fiscal 2025, India's systemic credit, comprising banks and non-banks, expanded about 15% as against 18% in fiscal 2024. Retail segments continued to drive the credit growth, although the unsecured lending segment normalised from an elevated base. The RBI's vigilant oversight and risk-weights circular on consumer loans tempered growth in unsecured portfolios, ensuring a more measured pace of expansion.

Systemic credit is expected to grow steadily at a CAGR of 14-15% between fiscals 2025 and 2027. The wholesale segment and secured retail segments, such as housing loans and vehicle loans, are poised to be the primary drivers of overall credit expansion in the near term. However, unsecured retail loans, including personal loans and microfinance, pose a downside risk, due to the prevailing asset quality concerns, which would require close monitoring.

Secured segments to propel NBFCs' credit growth, albeit at a moderate pace

NBFCs continue to be a crucial part of India's financial ecosystem, bridging the credit gap in underserved areas. Their significance is underscored with their share in systemic credit (comprising both banks and NBFCs) increased to ~20.3% in fiscal 2025 from 17% in fiscal 2019. The same is expected to grow by 30 bps every year to reach ~21% in fiscal 2027.

NBFCs have successfully advanced financial inclusion to the unbanked and underbanked population by leveraging technology, targeting niche segments and building strong local networks. Harnessing artificial intelligence and machine learning to streamline processes and boost productivity, NBFCs are enhancing the customer journey and the customer experience.

Driven by their targeted focus on retail segments, NBFCs continue to outpace the overall systemic credit, clocking a CAGR of 14% between fiscals 2020 and 2025. In fiscal 2025, the retail segment was a key driver of credit growth, with strong expansion in secured asset classes, while the unsecured lending segments normalised from an elevated base. As a result, NBFCs expanded their outstanding credit by ~17% on-year in fiscal 2025 and are expected to grow at ~16% in fiscal 2026.

Within retail credit, the growth of NBFCs' vehicle finance portfolio moderated to 16-17% on-year in fiscal 2025 from 25% in fiscal 2024. This moderation was primarily driven by a decline in the commercial vehicles (CVs) segment, although it was partially offset by growth in tractor and two-wheeler sales, which benefited from improved rural sentiment. Looking ahead, NBFCs' vehicle finance portfolio is expected to experience a modest uptick in fiscal 2026, aided by improving market sentiment, following

the expectation of additional rate cuts in fiscal 2026.

NBFCs witnessed growth in disbursements during the first nine months of fiscal 2025, with ~17% and ~12% year-on-year increase in two-wheeler and tractor finance respectively along with an uptick in disbursements of three-wheeler financing on the back of rebound in rural demand. The market is poised for continued growth, driven by deeper finance penetration, rising demand for electric two-wheelers and three-wheelers and pent-up replacement demand for two-wheelers and tractors, which is expected to fuel credit growth in future.

The market in the Passenger Vehicle (PV) segment experienced a slowdown in the first half of fiscal 2025 due to weak consumer sentiment and elevated interest rates. However, the second half saw notable improvement in sales, driven by festive demand and discounts that helped clear the build-up inventories with original equipment manufacturers. As a result, the disbursements of NBFCs' PV finance segment grew ~10% on-year during first nine months of fiscal 2025. Meanwhile, the used vehicle segment saw traction, driven by increased demand from consumers seeking more affordable options over new vehicles selling at soaring prices.

CV sales faced headwinds in fiscal 2025, weighed down by sluggish infrastructure activity, oversupply of high-tonnage vehicles with lower capacity utilisation and subdued manufacturing and mining activity in the first half. Amid the challenges, replacement demand provided some relief, supporting growth in the segment. Consequently, disbursements under the CV financing segment grew at a modest 8% during first nine months of fiscal 2025. The outlook for the CV segment is likely to be positive, supported by resumption of government spending and pickup in economic activities.

NBFCs' consumer durable financing portfolio grew 22% in fiscal 2025, fuelled by strong mobile phone sales and higher credit penetration. The tax relief announced in the Union Budget 2025-26 is expected to boost retail consumption and demand, driving credit growth in the consumer durable financing segment in fiscal 2026.

In fiscal 2025, gold loans gained popularity as a credit option amid rising concerns over asset quality and overleveraging in unsecured loans. The trend was further fuelled by the upward trajectory of gold prices, driven by robust demand. As a result, NBFCs' gold loan portfolio grew 21-23% in fiscal 2025 and is projected to grow 18-20% in fiscal 2026.

The lending landscape in the micro, small and medium enterprise (MSME) sector has undergone a transformation in recent years, driven by increased digital lending, government-backed initiatives, robust economy and growing preference for formal credit channels. This has led to a rapid growth in the sector, with NBFCs' MSME credit portfolio expanding 20-22% on-year in fiscal 2025. The momentum is expected to continue with similar growth rates anticipated in fiscal 2026.

The housing credit growth remained steady at 13-14% year-on-year in fiscal 2025 reflecting the broader economic moderation and elevated interest rates. The sector remained resilient, buoyed by rising disposable incomes and robust demand.

NBFCs' credit growth in the personal loan segment moderated to 22% on-year in fiscal 2025 from 39% in fiscal 2024, due to increased concerns over asset quality, mainly on account of overleveraging, marked by a decline in unique borrowers over the past two years. The segment's small-ticket loans were particularly vulnerable to delinquencies and overleveraging. In response, the RBI took proactive measures, including increasing risk weights, which in turn, led lenders to exercise caution and slow down disbursements to the segment.

The credit card segment experienced a slowdown in fiscal 2025 on account of increased risk weights by the RBI, revisions to reward points and deteriorating asset quality. This resulted in a decline in credit card spends and the number of active cards growing at slower pace of 8% YoY growth in fiscal 2025.

Deterioration in asset quality was the most pronounced in the microfinance sector (MFI) in fiscal 2025, with the outstanding book contracting 8-12% on-year. The increased stress in the sector was on account of overleveraging, general elections impacting collection for lenders. As delinquencies soared, lenders responded by curtailing disbursements in fiscal 2025.

The market witnessed a shift from unsecured to secured asset classes in fiscal 2025, owing to concerns over asset quality in the former. With lower yields in the secured segments, the overall shift resulted in contraction in yield and margins. This, combined with elevated interest rates for most part of the year and increased risk weights, kept borrowing costs elevated.

With the easing of interest rates following the two rate cuts of 25 bps each in February and April 2025 and the RBI reinstating the previous risk weight levels on banks' exposure to NBFCs, credit growth from banks to NBFCs is expected to pick up, enabling NBFCs to better manage their cost of funds and stabilise their margins.

Disbursements grew at 5% in fiscal 2025

During fiscal 2025, the Company expanded its portfolio with a strategic focus on building a diversified book, primarily targeting consumer finance and retail segments. As of 31st March 2025, the Company's assets under management grew 3% to ₹26,647 crore from ₹25,900 crore as of 31st March 2024. The Company had around 18 million customers as at the end of March 2025, a growth of 38%. During the year, the disbursements grew 5% driven by a calibrated expansion in various micro markets, products and customer segment.

With focussed growth in the consumer segment, the Company has acquired over 44 lakh new customers in fiscal 2025. To enhance customer experience and operating efficiency, the Company has started the investments in the new loan origination system and has transitioned to an AI-powered collection app, which offers real-time tracking and nudges to collection officer to improve collection efficiency. The Company plans to launch personal loans and consumer durable loans on the loan origination system platform next fiscal year.

The Company's retail finance business, which primarily consists of two-wheeler and used-car financing, grew on account of deeper penetration, seamless customer experience through technological advancements and streamlined interactions, with focus on stable portfolio quality. The proportion of the Company's customers with credit scores of 700 and above increased, alongside stable loan-to-value (LTV) ratios. The Company maintained the strategic partnerships with dealers, channel partners and original equipment manufacturers (OEM). Furthermore, the Company strengthened its underwriting with the introduction of a new app score across all segments, leveraging a model that incorporates nuanced, micro-market level data. The Company plans to deepen its relationships with channel partners, expand the use of micro-market analytics, and develop digital channels to cater to the technologically savvy younger generation.

During fiscal 2025, the Company continued the scale up of its Consumer Finance business comprising Consumer Durable Loans through tie-ups with more OEMs and channel partners. This year, the Company achieved the milestone of disbursing loans of more than ₹10,000 crore of consumer durable loans, consisting of both white goods and mobile loans, registering a robust growth in disbursements by 43% year-on-year. This growth is led by strong demand for financing of mobile phones and white goods, with the increase in the share of white goods portfolio. The Company expanded its footprint to new regions such as Punjab, Haryana, Uttarakhand and Assam, while strengthening its presence in existing markets. It established partnerships with premium brands such as Apple and Samsung to facilitate consumer credit.

Additionally, the Company aims to introduce special promotions for energy-efficient products, such as high-rated air conditioners and refrigerators, and will focus on developing digital channels to increase its presence in semi-urban and rural areas, particularly in the white goods segment.

There was a slowdown in the personal loans segment due to industry-wide challenges stemming from over-indebtedness of borrowers. The Company continued with the caution stand. It had started to put in place necessary credit interventions to address the risks in the new disbursements over the last 2 years. Further, the Company introduced targeted measures based on geography and customer profiles, which lead to calibrated and cautious growth in fiscal 2025.

Additionally, the Company entered the gold loan market with a pilot launch in fiscal 2024 and has built on this momentum in fiscal 2025. The Company plans to expand its gold loan business in Tamil Nadu, aiming for controlled growth by utilising its existing customer base and established presence in the region.

From fiscal 2024, the Company has been experiencing degrowth in disbursement in respect of new tractors. Over the last two fiscals, the Company implemented necessary tighter credit guardrails that led to degrowth in the new tractors portfolio. The Company has adopted a geo-specific approach to reach the target customer segments in addition to implementing various credit interventions, which ensured that the portfolio quality is maintained on the new acquisitions. This fiscal, the Company also experienced de-growth in the used tractor portfolio owing to the cautious strategy adopted in

response to the increase in the delinquencies noted in the rural portfolio since last quarter of fiscal 2023. Additionally, the Company has also refined its approach to expand dealerships across geographies based on inputs from micro market level analytics.

The Company's targeted approach in the Used Commercial vehicles segment yielded a rise in customers with a credit score above 700, indicating effective risk management. Disbursements were slower than expected in fiscal 2025 due to the implementation of tighter portfolio quality controls. There has been increase in share of small and light commercial vehicle segment, driven by an increase in direct sales. The Company plans to expand its referral network through internal sales teams, existing customer relationships, and external partnerships to drive long-term growth and profitability. The Company continued its focus on specified eco-system based customer segments and strengthened the relationships which translated into growth in the Mid-corporate Loan segment in this fiscal.

The Company significantly expanded its presence in the three-wheeler financing segment, entering new markets in Haryana, Madhya Pradesh, West Bengal, Kerala, Assam, Chhattisgarh, and Rajasthan. The dealership network witnessed substantial growth in March 2025 since the launch of the product marking a notable expansion of its reach and distribution capabilities.

The Company continued its focus on strengthening Mid-Corporate and Supply Chain Finance portfolio through ecosystem-led programmes, strong relationship management, and proactive risk management framework. Strategic projects were undertaken in fiscal 2025 to improve profitability through cost initiatives, value-added services and portfolio quality. The company will further expand its secured offerings to targeted MSMEs in identified clusters and geographies. The Company has started pilot of Affordable Loan Against Property in fiscal 2025.

At an aggregate level, the Company's key performance indicators have started to show improvement in collection efficiencies, better quality new originations and other key input metrics this year. The Company's micro market analytics strategy, which involves analysing data at a highly granular level, including performance at the pin-code level has enabled effective management of risks and product optimisation across its loans business. The Company continues to keep investing in credit underwriting, cloud-based infrastructure and tech-based applications across all business segments to further expand business and facilitate enhanced customer experience.

Optimised collection framework to drive efficiency

The Company has a comprehensive collection infrastructure, comprising a dedicated collection team supported by digital infrastructure and framework and analytical models. The framework leverages data analytics to identify customers who require ongoing engagement, such as borrowers with staggered EMI payments, customer categorisation basis the risk profiles and tailor digital campaigns to foster credit discipline & payment behaviour. Furthermore, each product has a distinct collection vertical, allowing for more concentrated and effective collection efforts. The Collection structure at product level is reinforced by a robust three-tiered supervisory framework at the regional level, along with a strong Legal team to effectively manage collections across product lines.

During fiscal 2025, the lending industry witnessed asset quality stress in select products. The Company took proactive measures to manage stress with inputs from its micro market analytics models, to identify areas with higher delinquency rates and implemented measures addressing the sales, credit and collections across micro markets.

The Company also put in place necessary framework to closely track attrition rates and takes proactive measures to address the underlying causes, ensuring seamless business operations. The Company has also established a parallel calling and digital capability across all products to effectively manage collections.

During fiscal 2025, the Company extensively leveraged the AI-powered digital collection App which enabled real-time monitoring of field activities, provided valuable collection insights, enhanced productivity and optimised collection efforts. The Company plans to expand the app's capabilities including new features leveraging analytical capabilities to augment its collection efforts. The Company also kick-started the project to take collection towards total quality management by redesigning the existing process for higher efficiency.

To equip the collections teams with skills to handle hard bucket collections, adhere to the regulatory guidelines and improving the field productivity, the Company has launched Collection Academy

where assessment is done based on proficiency test and impart required training linked to the career progress of the collection teams. The Company is aiming to create a supervisory strength and grow people to the next level from within the Company.

Leveraging digital infrastructure to optimise business efficiency

During fiscal 2025, the Company recorded zero downtime during peak sales periods including the festive season. This milestone in system uptime and performance was made possible by its cloud migration and various system strengthening measures taken in fiscal 2024. This improvement has enhanced partner confidence in the company's scalability, strengthening key OEM relationships.

During fiscal 2025, the Company undertook various digital transformation initiatives, focussing on three key areas: Loan management system (LMS), Loan origination system (LOS), and Customer relationship management (CRM). The LMS migration has been designed to enable the Company to maintain a single repository, seamless integration across front end applications and improving data maintenance and accessibility and robust compliance & reporting. The Company is also consolidating multiple loan origination applications into a single, scalable platform which is expected to bring standardisation, streamlined integration, and accelerated time-to-market, ultimately leading to enhanced customer experience. The Company would be better positioned to leverage this platform to expand its partnerships, deliver quicker turnaround for both the customers & business and thereby enhanced customer journeys across the portfolios.

The Company had also completed the migration to Oracle Fusion CRM for enhanced scalability and better user experience. The new CRM features an intuitive interface, enabling seamless data access and capture, as well as other features which would help in streamlining operations and boosting overall efficiency.

Strategic initiatives in data, analytics to drive business

During the year, the Company implemented channel segmentation for key products, enabling targeted interventions and personalised engagement with dealerships. The Company also conducted a comprehensive customer segmentation exercise, utilising bureau and other data sets, and advanced deep learning models to predict the next three products in a borrower's journey with the Company over the next one to three years.

The Company also explored the potential of GenAI, focussing on employee-centric applications such as optimising HR policies through its in-house platform, which leverages large language models to provide instant responses to employee queries related to policies. Additionally, the Company revamped its analytics model, incorporating micro-market-based underwriting strategies for key products, resulting in improved outcomes, including faster turnaround times and reduced delinquencies.

The Company's strategic priorities for the next year include adopting a micro-market based approach to analyse market trends and industry dynamics, expanding the application of GenAI and machine learning to generate insights and enable voice-based interactions, enhancing collection activities using bureau-based risk triggers, developing persona-based underwriting and cross-sell models.

Enhancing customer experience through customer-centric initiatives

The Company's core focus remains enriching the customer journey by elevating the digitalization with robust self-service metrics. The Company's Service to Sale initiatives enabled cross-sell business through customer care, area office walk-ins, & WhatsApps and customer retentions. The company achieved 89% digitalization rate in fiscal 2025 vs 87% in the preceding fiscal. The self-service rate also improved, from 85% to 88% during the same period. Additionally, the Dealer App Play Store rating saw a significant boost, rising from 3.7 in fiscal 2024 to 4.4 in fiscal 2025.

The Company achieved considerable gains in customer satisfaction across all segments in fiscal 2025, driven by its proactive approach, which combines monitoring, engagement and collaboration to boost customer and partner satisfaction.

The Company's efforts in addressing customer complaints yielded tangible results, with a 41% reduction in complaints across key complaint categories. Customer complaints are segmented into High Medium Low categories and repeat categories are subjected to detailed Root Cause Analysis (RCA) thereby

strengthening of process controls, through the implementation of Total Quality Management. The Company continues to take various proactive measures to address customer feedbacks from time to time.

Going forward, the Company will continue to focus on transitioning from customer service to customer experience through strategic expansion aimed at seamlessly onboarding customers and servicing them throughout their journeys. In addition, the Company will remain committed to advancing digital adoption and implementing predictive services to improve the customer experience.

Strengthening the company's presence with strong marketing and branding initiatives

During the fiscal 2025, the Company's brand health improved, with brand awareness rising to 34% (from 28% in fiscal 2024) and brand consideration increasing to 30% (from 21%). The Company continued to implement various innovative strategies across all business segments to boost brand visibility and customer reach. These initiatives included instituting co-branded offers and activities with OEMs, dealerships, and various formats of channel partners. Moreover, regional visibility campaigns featuring dealerships were also executed which further strengthened Company's channel partner relationships.

During the year, the Company's online presence expanded to 408 million overall and 34.1 million monthly, driven by engaging campaigns such as #FantasticFive and #AbWaitNahiUpgradeKaro. The brand was also featured in OEM and large format store marketing campaigns, solidifying its position as a preferred partner. To further boost the online engagement, the Company plans to create Gen Z-focussed content to resonate with the target audience and attract future consumers. Additionally, offline presence was strengthened with POSM (point of sale marketing) coverage at 44,000+ channel partners and improved PR coverage in mainstream publications.

During fiscal 2024, the Company had launched a direct-to-consumer horizontalization initiative known as 'Pragati Parv' that offers TVS Credit's product portfolio under a single umbrella. The programme focussed on boosting brand awareness, creating sales opportunities, and nurturing long-term relationships with customers and channel partnering. Building on the learnings from the previous year's Pragati Parv, the Company tested the hub and spoke model, expanding to 100 hub & 124 spoke locations, with over 96,000+ footfalls and 2,200+ channel partners. The Company plans to expand the programme to more regions, targeting tier 2 and 3 cities, to boost brand awareness and engagement.

The Company's digital marketing efforts generated substantial business across product categories and also witnessed a 30% growth in monthly active users (MAU) on the Saathi Mobile app. The Company website and the Saathi Mobile app are now available in six vernacular languages, and optimisation efforts led to a 40% increase in traffic and a 103% increase in the top 10 keyword rankings. The Company plans to leverage Gen AI, revamp the Saathi Mobile app and introduce an Enterprise BOT to enhance user experience.

The Company plans to enhance its sales strategy by introducing a dedicated 'offers' section in digital channels and CRM, enabling end-to-end lead conversion and expanding cross-sell opportunities.

Human resources

As part of its long-term vision, the Company's people strategy is anchored in building a high-performing, future-ready workforce that thrives on purpose, capability, and culture.

The Company believes that its people are the greatest assets. Reflecting on its sustained efforts to nurture a high trust and high performing culture, the Company has been re-certified as a Great Place to Work by Great Place To Work® for the period January 2025-2026, with a Trust Index score of 90, a two-point increase over the previous year. The Company achieved an exceptional 99.4% response rate in the survey, demonstrating strong levels of employee engagement. Additionally, the Company has been recognized among the Top 25 Best Workplaces in BFSI 2025 and the Top 50 Best Workplaces in Health & Wellness 2024.

The Company has established a comprehensive leadership development framework to nurture and empower leaders at every stage of their careers. This includes curated programmes such as the Strategic Leaders Program, Emerging Leaders Program, and Young Leaders Program. In addition,

strategic workshops on risk and credit were conducted for senior management and leadership team. These initiatives are integral to the Company's talent management strategy, which focusses on building a future-ready talent pool and a robust leadership succession pipeline by identifying and developing high-potential individuals through holistic, forward-looking interventions aligned with both individual aspirations and business priorities.

The Company fosters a culture of recognition and appreciation through its structured reward and recognition framework, which includes monthly, quarterly, and annual awards. The framework encourages peer-to-peer and manager-led recognition, complemented by instant gratification through spot awards. These practices reinforce a culture of appreciation and continuous motivation across all levels of the organization.

To further empower its workforce and foster long-term growth, the company offers a unique opportunity for employees who have completed their 12th-grade education to pursue graduate studies with full sponsorship – enabling them to overcome career advancement barriers and unlock their full potential. This year, the Company also launched an Internal Job Posting (IJP) platform, designed to enhance internal mobility and provide employees with meaningful opportunities for career growth, skill development, and new challenges within the organization.

Annual campus engagement programme

To increase brand visibility among future employees, the Company emphasises on engaging with top campuses and inspire budding talent to generate innovative solutions for business challenges. The sixth edition of the E.P.I.C Campus Challenge held in fiscal 2025 got participation from a diverse cohort of over 1,16,000 students, which increased from 96,000 students in fiscal 2024 covering 4,200+ esteemed colleges.

Process Excellence

Continuing with the theme of E+E=E (Error-free process + Effortless journey = Exceptional customer experience), the Company had implemented many projects which included TAT improvement, process streamlining and automation, enhancement in the customer journeys and automation / digitalisation of processes in the customer workflows and defect reductions. The primary goal of this initiative is to enhance customer loyalty by delivering exceptional experiences across the entire customer loan journey. During this fiscal, the Company also launched a Program for "Reimagining the Collection Process using TQM approach".

The Company has showcased improvement projects in external forums like CII, QCFI, ISQ & Kaizen Institute as well as presented 66+ case studies and won 42 awards during the fiscal 2025. The Company also won 3 GOLD awards at the International Convention conducted by QCFI in Sri Lanka.

The Company carries out periodic assessments of gaps and takes actions to address such identified gaps, which resulted in strengthening the processes across the Company. Furthermore, the Company obtained ISO Quality ISO 9001/2015 recertification for management systems from Bureau Veritas for all processing hubs and central operations.

Awards and recognitions

During fiscal 2025, the Company was honoured with various awards and recognitions. Some of the key awards are listed below:

- Great Place to Work recognition in the NBFC category by the Great Place to Work Institute
- Deloitte Enterprise Growth Awards 2025 by Deloitte
- Iconic Brands of India 2024 for excellence in the NBFC sector by ET Now
- Silver Award 2024 for Excellence in Learning Tech Implementation by ET HR World Future Skills
- Risk Management Team of the Year Award and Commercial Credit Management Team of the Year Award at India Credit Risk Summit and Awards 2025
- Best Farm Equipment Financier of the Year 2024 award by Indian Tractor of the Year (ITOTY)
- LEED V4.1 Gold Certification for one of the large office location (Chennai) by LEED

Awards for various marketing initiatives

- Digiplus Award for Best Social Media Campaign 2024 by The Economic Times
- Multiple FE Brandwagon ACE Awards for Best Brand of the Year along with Best Regional Marketing, Content Marketing, Youth Marketing Campaign and Social Cause campaign by Financial Express
- Best Social Development Campaign of the Year 2024 for the company's Saksham programme by Rural Marketing Association of India (RMAI)
- Two awards for the company's Khushiyan Unlimited Two-wheeler campaign and Namma Ooru Ponnunga Women's Day campaign at Pitch BFSI Marketing Summit & Awards 2024
- The Excellence Award in Content Marketing, the Collateral Award for the company's merchandising materials by PRCI
- Marketech APAC Marketing Technology Awards 2024 by Marketech
- E4m Maddies 2024 by E4m
- Social Stars Awards 2024 for Best Financial Content
- India Content Leadership Awards for the Best Vernacular/Local-Language Content on Radio/ Podcast and Best Financial Content
- Adworld Showdown Awards for the Best Digital Media Integrated Campaign and Best Social Campaign
- Top 50 companies with Great Managers in India for 2024 award by People's Business
- 3 GOLD awards at the International Convention conducted by QCFI in Sri Lanka

  TQM and Quality awards :

  - Global recognition by winning Gold awards for all three projects involving Operations, IT, TQM, and Retail Credit presented at the 49th International convention on Quality Control Circles (ICQCC) 2024
  - The Platinum Award for the project presented on the digitalisation initiatives for reducing SMS to non-consumers by Confederation of Indian Industry (CII)
  - Gold recognition for process improvements across depts of TQM, product management, operations, fee products, and CX by QCFI
  - The Gold Award in all three case studies presented by IT, Compliance, TQM, and Used Cars departments at QCFI – 12th Poka Yoke Competition
  - Overall category winner award for CX team and Gold for other SBUs processes from – Two-Wheeler, Customer Experience, Tractor Loans, Used Commercial Vehicle, Cross-Sell, and Business Intelligence by ISQ Society
- Best Contact Centre for outstanding initiatives in enhancing the company's NPS, CSAT, IVR utilisation and Email Bot by Kamikaze B2B Media

Community support initiatives

Our community support initiative, Saksham, in collaboration with Yuva Parivartan NGO empowers underprivileged youth in Chhattisgarh (Raipur), Karnataka (Bengaluru) and Maharashtra (Bhandara, Chandrapur, Gondia Nashik, Nanded, Nagpur, Pune and Thane) and Madhya Pradesh (Indore). Our comprehensive approach, including hands-on practical training and soft skill development is designed to facilitate job placements and create self-employment opportunities. Since 2018, Saksham has impacted over 957 individuals, with two new locations added this year.

Treasury

The Company has constituted an Asset Liability Management Committee (ALCO) in line with the guidelines issued by the Reserve Bank of India (RBI). ALCO monitors asset-liability mismatches, liquidity position, funding sources, interest rate risks, liquidity stress testing, contingency funding plans, collateral position, and ensures compliance with regulatory requirements and lender stipulations.

The financial year 2025 was marked by a sustained high-interest rate environment and tight systemic liquidity. Additionally, there was an increase in risk weights on Bank lending to NBFCs (subsequently reversed with effect from 1st April 2025). Despite these challenges, the Company demonstrated resilience by managing fund-raising activities while securing competitive borrowing rates across instruments.

As of 31st March 2025, the Company's outstanding borrowings stood at ₹24,491 crore. During the year, the Company raised ₹14,675 crore in fresh borrowings, comprising both long-term and short-term debt. The Company's borrowing strategy is aligned with the composition and maturity profile of its assets, with a continued focus on managing interest rate and liquidity risks. In this context, the Company collaborates with a diversified lender base to ensure that funding structures remain appropriate and responsive to its evolving asset mix. This prudent asset-liability management enabled the Company to maintain positive cumulative mismatches across all maturity buckets, well within internal and RBI stipulated norms.

During the year, the Company also executed External Commercial Borrowings and Non-Convertible Debenture (NCD) issuances at competitive pricing levels. Simultaneously, it continued to diversify funding sources while maintaining a strong liquidity position.

The Company's ALCO regularly reviews liquidity stress testing to evaluate the Company's preparedness for adverse liquidity scenarios. Based on these assessments, the Company has maintained a strong liquidity buffer, in the form of cash and undrawn credit lines, to ensure preparedness for unforeseen disruptions. The Company's LCR remained comfortably above the regulatory threshold, and all liquidity ratios were within the limits approved by the ALCO.

All principal and interest obligations were met on time during the year. The Company's assets, which are available by way of security, continue to be adequate to cover outstanding liabilities as and when they become due. The Company also received continued support from shareholders through equity infusion. Additionally, participation from NBFCs, mutual funds, and insurance companies - through Tier I (Perpetual Debt Instruments) and Tier II (Subordinated Debt) instruments - contributed to adequate capital position. As of 31st March 2025, the Capital Adequacy Ratio (CRAR) stood at 20.3%, well above the regulatory limit.

During the year, CARE has assigned long-term rating of AA+ and CRISIL, ICRA and Brickwork Ratings upgraded the Company's long-term credit rating to AA+ from AA. The rating upgrade is expected to enhance the Company's access to capital markets and support broader funding diversification.

Rating details are given below:

Rating Agency	Facility	Rating
Care Ratings	Long-Term Bank Facilities	CARE AA+; Stable
	Non-Convertible Debentures	CARE AA+; Stable
ICRA	Long-Term Bank Facilities	ICRA AA+ (Stable)
	Short-Term Bank Facilities	ICRA A1+
	Subordinated Debt	ICRA AA+ (Stable)
	Perpetual Debt	ICRA AA (Stable)
	Commercial Paper	ICRA A1+

Rating Agency	Facility	Rating
CRISIL	Long-Term Rating - Bank Loan Facilities	CRISIL AA+/Stable
	Short-Term Rating - Bank Loan Facilities	CRISIL A1+
	Non-Convertible Debentures	CRISIL AA+/Stable
	Tier II Bond	CRISIL AA+/Stable
	Perpetual Bonds	CRISIL AA/Stable
	Commercial Paper	CRISIL A1+
Brickwork Ratings	Subordinated Debt (Tier II)	BWR AA+/Stable

3. SHARE CAPITAL

During the year under review, the Company issued and allotted 80,48,780 Equity Shares of face value of ₹10 per share at a premium of ₹400 per share. Consequent to the aforesaid allotments of Equity Shares, the total paid-up capital of the Company as on 31st March 2025, stood at ₹254.66 crore comprising 23,62,72,706 Equity Shares and 1,83,84,684 CCPS, having a face value of ₹10 each.

Non-Convertible Debentures

During the year under review, the Company issued Non-Convertible Debentures (NCDs) of ₹1,675 crore on a private placement basis. The NCDs have been listed on the Wholesale Debt Market segment of the National Stock Exchange of India Ltd (NSE).

4. DIVIDEND

The Directors have not proposed any dividend for the year under review, as the resources are required for the future growth of the business of the Company.

5. TRANSFER TO RESERVES

During the year, ₹153 crore were transferred to the Statutory Reserve created as required under Section 45-IC of the Reserve Bank of India Act, 1934.

6. PUBLIC DEPOSITS

The Company is a Non-Deposit taking Non-Banking Finance Company and has not accepted any deposits during the year under review. The Board has also passed a resolution for non-acceptance of deposits from the public.

7. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Companies Act, 2013 (the Act, 2013), read with the Companies (Accounts) Rules, 2014 along with a separate statement containing the salient features of the financial performance of subsidiaries/associates in the prescribed form. The audited consolidated financial statements together with Auditors' Report, form part of the Annual Report.

The audited financial statements of the subsidiary companies will be made available to the shareholders on receipt of a request from any shareholder, and it has also been placed on the website of the Company, which will also be available for inspection by the shareholders at the registered office during business hours, as mentioned in the notice of AGM.

The consolidated Profit Before Tax of the Company and its subsidiaries amounted to ₹1,027 crore for the financial year 2024-25 as compared to ₹763 crore in the previous year.

Subsidiary Companies

The following companies are the subsidiaries of the Company as on 31st March 2025, and these subsidiaries have not commenced operations yet.

S.No.	Name of the Companies
1.	Harita Two-Wheeler Mall Private Limited
2.	Harita ARC Private Limited
3.	TVS Housing Finance Private Limited

Performance of Subsidiaries

A report on the performance of the subsidiary companies, including the salient features of the financial statements in Form AOC-I is attached and forms part of this Report as **Annexure IV**.

All the subsidiaries are yet to commence their operations.

Holding Company

TVS Motor Company Limited is the holding Company and holds 85.63% equity shares as on the date of this report and 80.69% on a fully diluted basis.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment / Re-appointment / Cessation

During the year under review, Mr. B Sriram (DIN: 02993708), and Mr. R Gopalan (DIN: 01624555), were reappointed for their second term as Independent Director.

Board at its meeting held on 6th August 2024 appointed Dr. Deepali Pant Joshi (DIN: 07139051) and Mr. T C Suseel Kumar (DIN: 06453310) as Additional Director (Non-executive Independent) of the Company and their appointment as Independent Directors was approved by the Shareholders of the Company on 23rd September 2024.

At the meeting held on 6th August 2024, the Board also accorded the approval for appointment of Mr. Sanjiv Chadha (DIN: 08368448) as Additional Director (Non-Executive Non-Independent) and Mr. Ashish Sapra (DIN: 09805893) as Additional Director (Director and CEO) of the Company subject to the approval of RBI. The RBI communicated its no-objection to the said appointments on 22nd November 2024 and their appointment as directors was approved by the Shareholders of the Company on 27th December 2024.

Directors Liable to Retire by Rotation

In terms of Section 152 of the Act, 2013 two-thirds of the total number of Directors i.e., excluding IDs, are liable to retire by rotation, and out of which, one-third are liable to retire by rotation at every Annual General Meeting. Mr. Sudarshan Venu (DIN: 03601690) and Mr. Venu Srinivasan (DIN: 00051523), Non-Executive Directors, are liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers themselves for re-appointment. The Nomination and Remuneration Committee, at their meeting held on 28th April 2025 recommended their re-appointment after evaluating his track record, integrity, and other fit and proper criteria as laid down under RBI guidelines.

Women Director

In compliance with Section 149 of the Act 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Kalpana Unadkat (DIN: 02490816) and Dr. Deepali Pant Joshi (DIN: 07139051), are the Independent Women Directors of the Company.

Independent Directors

In accordance with Section 149(7) of the Act, 2013, all IDs have declared that they meet the criteria of independence as provided under Section 149(6) of the Act, 2013, and the Board confirms that they are independent of the management.

The Board is of the opinion that the Independent Directors of the Company possess the requisite qualifications, experience, and expertise, and that they adhere to the highest standards of integrity. The detailed terms of appointment of IDs are disclosed on the Company's website in the following link www.tvscredit.com. All the IDs have been registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act, 2013 and obtained ID registration certificates.

Declaration and Undertaking

During the year, as per the directions of RBI on 'Non-banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, as amended, the Board obtained necessary annual declarations of undertaking' from the Directors in the format prescribed by RBI.

Separate Meeting of IDs

During the year under review, a separate meeting of IDs was held on 6th March 2025. All IDs were present, and they were enlightened about the objectives and process involved in evaluating the performance of the Board, Non-IDs, Chairman, and timeliness of the flow of information from management.

Based on the set of questionnaires, complete feedback on Non-Independent Directors and details of various activities undertaken by the Company were provided to IDs to facilitate their review/ evaluation.

a) Non-Independent Directors (Non-IDs)

IDs used various criteria prescribed by the Nomination and Remuneration Committee (NRC) of non-IDs, namely, Mr. Venu Srinivasan (DIN: 00051523), Mr. Sudarshan Venu (DIN: 03601690), Mr. Sanjiv Chadha (DIN: 08368448) and Mr. K N Radhakrishnan (DIN: 02599393).

IDs evaluated the performance of all non-IDs individually through a set of questionnaires. They reviewed the non-IDs interaction during the Board/Committee meetings and thoughtful inputs given by them to improve risk management, internal controls, and contribution to the Company's growth. IDs were satisfied fully with the performance of all non-IDs.

b) Chairman

The IDs reviewed the performance of the Chairman of the Board after taking into account his performance and benchmarked the achievement of the Company with industry under the stewardship of the Chairman.

The IDs also placed on record their appreciation of the Chairman's high level of integrity, trust, confidentiality, impartial and judicious approach, transparency, and commitment to governance, setting high standards for the Company; Outstanding ability to motivate the Board's involvement and stimulate discussions particularly during a year of diverse challenges and tough state of the economy and clear initiatives for staying ahead of the competition.

IDs also recorded the growth story of the Company under the stewardship of the Chairman and the significant increase in turnover and profit.

c) Board

The IDs also evaluated the Board's composition, size, mix of skills and experience, its meeting sequence, the effectiveness of discussion, decision-making, and follow-up action to improve governance and enhance the personal effectiveness of Directors.

The evaluation process focussed on Board dynamics. The Company has a Board with a wide range of expertise in all aspects of business and outstanding diversity of the Board with the presence of varied personalities from diverse fields, particularly from the banking and finance field. The Board, upon evaluation, concluded that it is well balanced in terms of diversity of experience with experts in each domain viz., Automotive, Leadership / Strategy, Finance, Legal and Regulatory, and Governance. The Company endeavours to have a diverse Board representing a range of experience at policy-making levels in business and technology.

IDs recorded that they were always kept involved through open and free discussions and provided additional inputs in emerging areas being forayed into by the Company, and high levels of Corporate Governance in all management discussions and decisions were maintained.

The IDs unanimously evaluated the prerequisites of the Board viz., formulation of strategy, acquisition, and allocation of overall resources, setting up policies, Directors' selection processes, and cohesiveness on key issues, and satisfied themselves that they were adequate.

They were satisfied with the Company's performance on all fronts and finally concluded that the Board operates with best practices.

d) Quality, Quantity, and Timeliness of the Flow of Information between the Company, Management, and the Board

All IDs have expressed their overall satisfaction with the support received from the management and the excellent work done by the management during the year under review and, the relationship between the top management and Board is smooth and seamless.

The information provided for the meetings was clear, concise, and comprehensive to facilitate detailed discussions and periodic external presentations on specific areas, well supplemented the management inputs. The emerging technology was duly incorporated in the overall review of the Board.

e) Performance Evaluation of the Board

In terms of Section 134 of the Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as the performance of the Directors individually (including Independent Directors).

The evaluation framework for assessing the performance of Directors comprises various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights, or inputs regarding future growth of the Company and its performance, understanding of the industry and global trends, etc.

An evaluation framework based on well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, oversight of Company's subsidiaries, etc., and feedback by way of comments were sought from the Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

Qualitative comments and suggestions of the Directors were taken into consideration by the Board. The Directors have expressed their satisfaction with the evaluation process.

Based on the report of performance evaluation of directors, the Board noted and recorded that all the directors should extend and continue their term of appointment as Directors / Independent Directors, as the case may be.

Key Managerial Personnel

Mr. Ashish Sapra, Director and Chief Executive Officer, Ms. Roopa Sampath Kumar, Chief Financial Officer and Mr. Chetan Nage, Company Secretary are the Key Managerial Personnel of the Company as on the date of this report.

During the year, Mr. Sreejith Raj P resigned from the post of Company Secretary effective 20th January 2025 and Mr. Chetan Nage was appointed as Company Secretary of the Company with effect from 27th January 2025.

9. STATUTORY AUDITORS

Pursuant to the Reserve Bank of India ("RBI") Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), Urban Co-operative Banks

(UCBs) and NBFCs (including HFCs) dated 27th April 2021, and Frequently Asked Questions dated 11th June 2021 ("RBI Guidelines"), the statutory audit of Company, having asset size of ₹15,000 crore and above as at the end of previous year, be conducted under joint audit of a minimum of two audit firms.

In this regard, on the recommendation of the Board of Directors of the Company, members of the Company in their meeting held on 25th November 2022, appointed M/s. CNGSN & Associates LLP, Chartered Accountants, Chennai having Firm Registration No. 004915S allotted by the Institute of Chartered Accountants of India as Joint Statutory Auditors of the Company for a term of 3 consecutive years pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, reimbursement of travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

During the year under review, the tenure of term of M/s. Sundaram & Srinivasan, Chartered Accountants expired at the Annual General Meeting of the Company and on the recommendation of the Board of Directors of the Company, members of the Company in the Annual General Meeting held on 07th August 2024, appointed M/s. Suri & Co., Chartered Accountants, Chennai having Firm Registration No. 004283S allotted by the Institute of Chartered Accountants of India as Statutory Auditors of the Company for a term of 3 consecutive years pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, reimbursement of travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

M/s. CNGSN & Associates LLP, Chartered Accountants, and M/s. Suri & Co., Chartered Accountants, have jointly conducted the statutory audit for the year ended 31st March 2025. The Company has obtained the necessary certificate under Section 141 of the Act, 2013, and as per the RBI Circular conveying their eligibility for being Statutory Auditors of the Company for the year 2024-25. The Auditors' Reports for the financial year 2024-25 do not contain any qualifications, reservations, or adverse remarks, and the same is attached with the annual financial statements.

In view of the tenure of the existing Joint Statutory Auditor of the Company i.e. M/s. CNGSN & Associates LLP, Chartered Accountants, ending at the ensuing Seventeenth AGM of the Company, pursuant to the RBI Guidelines and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its Meeting held on 28th April 2025 approved the appointment M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000511S) as the Joint Statutory Auditor of the Company for a period of three consecutive years i.e. Financial Year 2025-26, Financial Year 2026-27 and Financial Year 2027-28, from the conclusion of the Seventeenth AGM till the conclusion of the Twentieth AGM of the Company to be held in the year 2028, subject to the approval of the Members. The Members of the Company may refer to the accompanying Notice of the AGM of the Company.

10. SECRETARIAL AUDITORS

The Board of Directors in their meeting held on 8th May 2024, on the recommendation of Audit Committee, has appointed B. Chandra & Associates, Company Secretaries (Peer Reviewed) (Firm Registration No. P2017TN065700), as Secretarial Auditor of the Company for the year ended 31st March 2025.

As required under Section 204 of the Act, 2013, the Secretarial Audit Report for the year 2024-25, given by them, is attached as **Annexure VI** to this report. The Secretarial Audit Report does not contain any qualifications, observations, or other remarks.

The Board at its meeting held on 28th April 2025 has re-appointed B. Chandra & Associates, Company Secretaries as Secretarial Auditors for a term of five consecutive years from 2025-26 subject to the approval of the Members. The Members of the Company may refer to the accompanying Notice of the AGM.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards as amended from time to time.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards ('IndAS') under historical cost convention on accrual basis except for certain financial instruments, which are measured at fair value pursuant to the provisions of the Act, 2013 and guidelines issued by SEBI/RBI. Accounting policies have been consistently applied except where revision to an existing Accounting Standard requires a change in the accounting policy.

Pursuant to the requirement of Section 134(5) of the Act, 2013 with respect to Director's Responsibility Statement, it is hereby stated that:

a. In the preparation of the annual accounts for the year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

b. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

c. The Directors had 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 had prepared the accounts for the financial year ended 31st March 2025 on a going concern basis.

e. That the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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.

12. ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in the prescribed form (Annexure I) is available on the Company's website (www.tvscredit.com).

13. CORPORATE GOVERNANCE

Good corporate governance, acting in accordance with the principles of responsible management aimed at increasing enterprise value on a sustainable basis, is an essential requirement for the Company. The Company has a strong legacy of fair, transparent, and ethical governance practices. The Company's philosophy on corporate governance is founded on the fundamental ideologies of the Group viz., Trust, Value, Exactness, and Passion for Customers.

The Company constantly endeavours to improve on these aspects. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and reviewed by the Board and Committees of the Board.

The Company has experts in the banking industry and a well-informed Board. The Board, along with the Corporate Governance mechanism in place, undertakes its fiduciary duties to all its stakeholders.

The Company has framed internal Corporate Governance guidelines in compliance with the Directions issued by RBI for NBFCs, to enable the adoption of best practices and greater transparency in business operations. A report on Corporate Governance regarding compliance with the conditions of Corporate Governance as stipulated under RBI guidelines forms part of the Report and is annexed herewith as **Annexure V**.

Board Meetings

During the year under review, the Board met six times on 8th May 2024, 6th August 2024, 14th October 2024, 25th November 2024, 27th January 2025 and 28th March 2025 and the gap between the two meetings did not exceed one hundred and twenty days.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities in accordance with the requirements of the applicable provisions of the Act, 2013/Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions 2015 as amended.

The Board has *inter-alia* established the following Committees viz., Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Asset Liability Management Committee (ALCO), Risk Management Committee (RMC), Information Technology (IT) Strategy Committee, Credit Sanction Committee, Stakeholders Relationship Committee (SRC) and Senior Management Committee (SMC).

Details of the Composition of Committees, roles and responsibilities and meetings, and the members' attendance are explained in the Corporate Governance Report attached with this report as **Annexure V**.

Nomination and Remuneration Policy

In accordance with Section 178 of the Act, 2013, the NRC has formulated a Nomination and Remuneration Policy (NRC Policy) to ensure that Directors, Key Managerial Persons and other employees are sufficiently compensated for their performance. The policy seeks to provide criteria for performance evaluation, disclosures on the remuneration of Directors, and criteria for making payments to Non-Executive Directors have been disclosed as part of the Corporate Governance Report attached herewith.

Directors

NRC will recommend the remuneration for Executive and Non-Executive Directors. This will be then approved by the Board and Shareholders. The Non-Executive Independent Directors are appointed to the Board of the Company in terms of regulatory requirements.

The Board has approved the payment of remuneration by way of profit-related commission to the Non-Executive Independent Directors, for the financial year 2024-25, based on the recommendation of the Nomination and Remuneration Committee. The approval of the Shareholders by way of a special resolution was obtained at the Twelfth Annual General Meeting held on 27th July 2020 in terms of Sections 197 and 198 and any other applicable provisions of the Act, 2013.

Commission

The Company benefits from the expertise, advice, and inputs provided by the IDs. The IDs devote their valuable time in deliberating on strategic and critical issues during the Board/Committee meetings of the Company and give their valuable advice, suggestions, and guidance to the management of the Company from time to time hence IDs are being paid by way of commission.

As approved by the Shareholders at the Annual General Meeting of the Company held on 27th July 2020, Non-Executive and Independent Directors are being paid commission, as determined by the Board, for each such Director.

Key Managerial Personnel

The remuneration of employees largely consists of basic salary, perquisites, allowances, and performance incentives. Perquisites and retirement benefits are paid according to the Company's policy.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification, and experience/merits, and performance of each employee. The Company, while deciding the remuneration package, takes into consideration the current employment scenario and remuneration package of the industry.

Criteria for Board Membership

Directors

The Company will generally consider (i) Their relevant experience in Leadership / Strategy / Finance / Governance / Legal and Regulatory or other disciplines related to Company's business and (ii) Satisfaction of Fit and Proper Criteria (iii) Having the highest personal and professional ethics, integrity, and values.

Independent Directors

Independent Director shall meet all criteria specified in Section 149 of the Act, 2013, and the rules made thereunder.

Related Party Transactions

All contracts/arrangements entered by the Company during the period ended 31st March 2025 with related parties were in the ordinary course of business and at arm's-length price in terms of Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its powers) Rules, 2014.

Pursuant to the provisions of Section 134(h) of the Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's-length and are in the ordinary course of business.

Hence, no particulars are being provided in Form AOC-2. Related Party disclosures, as per IND-AS have been provided in Notes to the financial statement.

14. RISK MANAGEMENT

The Company, being in the business of financing two-wheelers, used cars, new tractors and used tractors, three-wheelers, consumer durables, used commercial vehicles, and business loans, has to manage various risks. These risks include credit risk, liquidity risk, interest rate risk, and operational risk. To strengthen risk management, the Company has developed and implemented a Risk Management Policy and has put in place Enterprise Risk Management Framework to promote a proactive approach to measuring, evaluating, mitigating, and reporting key risks associated with the business. The Company has implemented Internal Capital Adequacy Assessment Process (ICAAP) for quantitative and qualitative assessments of these key risks and impact on capital and profitability under three stress scenarios like Base, Medium and Severe. Stress scenarios are identified basis historical data on shift in the key metrics in case of various economic cycles of last 10 years. ICAAP Assessment reports are periodically placed before the Risk Management Committee and the Asset Liability Management Committee for reviewing and monitoring the risks and capital planning at quarterly basis. The Company also has RMC-approved Risk Appetite statement that covers key metrics on Risk, Earnings, Profitability, Liquidity and Capital Adequacy.

Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles and liquidity ratios like Liquidity Coverage Ratio and Stock Ratios against the Board-approved limits.

Operational risks arising from inadequate or failed internal processes, people, and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. Operational Risk Register with all operational risks, control and residual risk is maintained with key risk indicators defined to measure, mitigate and report. Standard Operating Procedures are well documented to ensure enhanced control over processes and regulatory compliance.

Compliance Risk arising from non-compliance with the guidelines and statutes from various regulatory bodies are addressed through a well-defined compliance risk framework approved by the Board. The company has implemented compliance tool that adequately captures all regulatory requirements and helps to meet various timelines.

Internal Audit department does annual review of all risk management frameworks from Board-approved policies and regulatory requirement perspective as an assurance to the Board for compliance purposes.

The Company is categorised as Middle Layer NBFC as per the Scaled Based Regulations Framework guidelines applicable to all NBFCs from 1st October 2022.

15. INTERNAL CONTROL SYSTEMS

The Company's comprehensive and effective internal control system ensures smooth business operations, meticulously recording all transaction details and ensuring regulatory compliance, and protecting the Company's assets from loss or misuse. The Board is accountable for evaluating and approving the effectiveness of the internal controls, including financial, operational, and compliance controls.

The internal control system is subject to continuous improvement, with system effectiveness assessed regularly. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the internal controls, including its system and processes and compliance with regulations and procedures. Information provided to management is reliable and timely. The Company ensures the reliability of financial reporting and compliance with laws and regulations.

The Company is strengthening the controls by leveraging technology and centralising processes, enhancing monitoring, and maintaining effective tax and treasury strategies.

The Audit Committee continues to monitor the effectiveness of internal control over the use of new technologies that impact the financial controls and reporting enterprise risk.

16. INTERNAL AUDIT

As part of the effort to evaluate the effectiveness of the internal control systems, the Company's Internal audit function reviews all the control measures on a periodic basis as part of the Risk-based Internal Audit (RBIA) framework and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

The Company's Internal Audit function and structure are commensurate with its size, nature, and operations.

17. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company recognizes social responsibility as an integral and a critical part of its value system. Srinivasan Services Trust (SST), the CSR arm of TVS Motor Company, has been successfully driving positive change in rural communities. In the last 29 years, SST's model has matured into one centred on community participation in all its projects. Today, SST works in 2,500 villages in the country. It follows an integrated, holistic and participatory approach to village development, working very closely with the communities and the government. SST's focus is to bring about sustainable development in villages through Total Community Involvement (TCI). Society building through the development of women and children, conserving water, providing holistic health and education by renovating the government infrastructure and preserving the environment are its focus areas. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from planning to execution of activities.

More than 60,000 women across the country have been organised into Self-Help Groups (SHGs), which empowers the women socially and economically. Today, more than ₹100 Crores of income is being generated annually by the women in Self-Help Groups. In 2024-25, nine SHGs facilitated by SST have been honoured with the district level prestigious Manimegalai Award introduced by the Tamil Nadu Corporation for Development of Women (TNCDW) for empowering women and fostering economic growth.

SST has so far renovated more than 2,000 government infrastructures, which includes Anganwadis, Schools, Health Centers and Veterinary Centers. Adopting this holistic integrated village development model, SST has partnered with organizations like Gramalaya, Agastya International Foundation, Villmart Education, Navsahyog Foundation, Shreeja Mahila Milk Producer Company, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation.

SST has ensured that more than 25,000 farmers have been benefited by its water conservation projects like building and repairing water conservation structures, desilting tanks and channels and creating

percolation ponds. Today, across the country, over 400 water conservation projects have been implemented by SST. SST has partnered with Karur Vysya Bank (KVB), Standard Chartered Bank (SCB) and Kaynes Technology India Limited to expand the reach of its water conservation and infrastructure projects.

SST also ensures last-mile connectivity for the government social security, agriculture and livestock schemes to reach the unreached and underserved.

Apart from renovating the government health centers and conducting regular medical camps, SST runs 7 medical centers and 2 medical vans in its working areas. SST has partnered with HDFC ERGO General Insurance and operates two medical vans, providing over 40,000 consultations in tribal areas annually. Today, due to SST's interventions, more than 2 lakh patients annually have access to health care facilities.

SST also extends its support to tiger reserves in Tamil Nadu and Karnataka. SST has also afforested barren hillocks of over 14,000 acres, in the last 3 decades.

SST is working with Tata Institute of Social Sciences (TISS), 4th Wheel Social Impact, Institute of Rural Management Anand (IRMA) and Chrysalis services to carry out social impact studies for the various projects it is undertaking in its working areas.

SST has won the following awards in Financial Year 2024-25:

- 1st place for its 'Learning & development' best practice at the 27th NHRD National conference & 13th HR Showcase at Bangalore on Feb 7-8, 2025
- The CSR Universe Social Impact Awards 2024 under the 'Health' category for impactful health services to rural communities through SST Health Centres, Mobile Medical Vans, Health camps.
- The Gold award for 'Excellence in HR Digital transformation' at the Economic Times Human Capital Awards MENA 2024
- The CSR & Sustainability Award 2023 under the category of Excellence in Providing Healthcare Services by ASSOCHAM (The Associated Chambers of Commerce and Industry of India)

As required under Section 135 of the Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual Report on CSR, containing the particulars of the projects / programmes approved and recommended by the CSR Committee and approved by the Board for the financial year 2024-25 are given by way of **Annexure III** attached to this Report. It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by the SST and other eligible trusts for the year 2025-26, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and also monitoring and reporting mechanism for the projects or programmes, as required under the Companies Amendment Act, 2020.

18. POLICY ON VIGIL MECHANISM

The Board has adopted a Policy on Vigil Mechanism in accordance with the provisions of the Act, 2013, which provides a formal mechanism for all Directors, Employees, and other Stakeholders of the Company, to report to the management their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct or Ethics Policy.

The policy also provides direct access to the Chairperson of the Audit Committee to make protective disclosures to the management about grievances or violations of the Company's Code of Business Conduct and Ethics. The policy is disclosed on the Company's website in the following link www.tvscredit.com.

19. SEXUAL HARASSMENT POLICY

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) (POSH) Act, 2013. The

Company has an Internal Complaints Committee as required under POSH. The number of Complaints received, disposed of, and pending during Financial Year 2024-25 is given in the Corporate Governance Report.

20. EMPLOYEE STOCK OPTION

The Board at its meeting held on 14th October 2024, based on the recommendation of the Nomination and Remuneration Committee, approved the 'TVS Credit Employee Stock Option Plan' with a view to reward, attract, motivate and retain employees of the Company and the same was approved by the shareholders vide a special resolution on 11th November 2024.

Nomination and Remuneration Committee of the Company ("NRC") has granted 1,55,400 employee stock options ("Options") in accordance with the Plan to the identified employees of the Company ("Eligible Employees") which would entitle such Eligible Employees to acquire equity shares of the Company ("Shares") at a predetermined price provided that the vesting conditions are thereby fulfilled. The disclosure relating to Employees Stock Option Scheme in accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 forms part of this report as **Annexure VII**.

21. GENERAL DISCLOSURES

During the year, there were no transaction/ instances requiring disclosure or reporting in respect of matters relating to:

(a) significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

(b) issue of equity shares with differential rights as to dividend, voting or otherwise.

(c) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and

(d) instance of one-time settlement with any bank or financial institution.

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

As a non-banking finance company, the Company activities involve low energy consumption. Company is committed for optimizing its energy use and continuously seek opportunities to enhance its sustainability practices by applying a range of energy-saving measures at its different sites. There was no capital investment made on energy conservation equipment.

Regarding "Technology Absorption", please refer to the technology absorption initiatives detailed in Management Discussion and Analysis, being Point No. 2 of this report. No expenditure was incurred towards Research and Development during the year under review.

Foreign currency expenditure in Financial Year 2024-25 is ₹60.48 crore (previous year ₹33.77 crore). The Company did not have any foreign exchange earnings.

23. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and to the date of the report.

24. EMPLOYEES' REMUNERATION

Disclosure of details of Employees' remuneration as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure II. In terms of the first proviso to Section 136(1) of the Act, 2013, the Annual Report, excluding the aforesaid annexure, is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company as mentioned in the Notice of AGM, and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

25. DETAILS OF LOANS / GUARANTEES / INVESTMENTS MADE

The details of investments made by the Company for the financial year 2024-25 is as per Note No. 09 to Notes on account.

In terms of Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, NBFCs are excluded from the applicability of Section 186 of the Act, 2013, where the loans, guarantees and securities are provided in the ordinary course of its business.

On loans granted to the employees, the Company has charged interest as per its remuneration policy, in compliance with Section 186 of the Act, 2013.

26. REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

27. MAINTENANCE OF COST RECORDS

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act, 2013 for the business activities carried out by the Company.

28. ADHERENCE TO RBI NORMS AND GUIDELINES

The Company has fulfilled the prudential norms and standards as laid down by RBI in respect of income recognition, provisioning of non-performing assets and capital adequacy. The capital adequacy ratio of the Company is 20.3% which is well above the prescribed minimum of 15% by RBI.

As a prudent practice, the Company's current provisioning standards (expected provisioning norms) are more stringent than the Reserve Bank of India (RBI) prudential norms. In line with its conservative approach, the Company continues to strengthen its provisioning norms beyond the RBI regulations by accelerating the provisioning on an early stage of delinquencies based on experience and emerging trends.

The Fair Practices Code and KYC norms framed by RBI seek to promote good and fair practices by setting minimum standards in dealing with customers, increasing transparency so that customers have a better understanding of what they can reasonably expect of the services being offered, encouraging market forces through competition to achieve higher operating standards, promote fair and cordial relationships between customers and the finance company and foster confidence in the NBFC system.

The Company has put in place all the Committees prescribed by RBI and has formulated a comprehensive Corporate Governance Policy. The Company has instituted a mechanism to monitor and review adherence to the Fair Practices Code, KYC norms, and relevant policies as approved by the Board of Directors.

29. ACKNOWLEDGEMENT

The Directors gratefully acknowledge the continued support and cooperation received from the holding Company, namely TVS Motor Company Limited and other investors. The Directors thank the bankers, investing institutions, customers, dealers of TVS Motor Company Limited and all channel partners for their valuable support and assistance.

The Directors wish to place on record their special appreciation of the employees of the Company for their dedication and commitment in delivering the highest quality of service to every one of our valued customers.

For and on behalf of the Board of Directors

Place : Chennai
Date : 28th April 2025

Sudarshan Venu
Chairman
DIN: 03601690

Annexure - III to Directors' Report to the Shareholders

Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

1. Brief outline on CSR Policy of the Company:

   This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the transformation and sustainable development of the rural communities at large.

2. Composition of CSR Committee:

Sl. No.	Name of the Director (M/s.)	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Venu Srinivasan, Chairman	Non-Independent Director	1	1
2.	K N Radhakrishnan, Member	Non-Independent Director	1	1
3.	R Gopalan, Member	Independent Director	1	1

3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.	https://www.tvscredit.com/wp-content/uploads/2023/09/Corporate-Social-Responsibility.pdf
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a) Average net profit of the Company as per section 135(5)	₹ 476.48 crore
	(b) Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013	₹ 9.53 crore
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year (5b+5c-5d)	₹ 9.53 crore
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 10.00 crore
	(b) Amount spent in Administrative Over-heads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 10.00 crore

	(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act, 2013		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
10.00 crore	Not Applicable				

	(f) Excess amount for set off, if any

S.No.	Particulars	Amount (₹ in crore)
i.	Two percent of average net profit of the Company as per Section 135(5)	9.53
ii.	Total amount spent for the financial year	10.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.47
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)]	0.47

7.	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not Applicable								

8.	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable

For and on behalf of the Board of Directors

Venu Srinivasan
Chairman of the CSR Committee
DIN: 00051523

Place : Chennai
Date : 28th April 2025

Annexure-IV to Directors' Report to the Shareholders

Form AOC-I

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A"

Statement containing salient features of the financial statement of subsidiaries:-

(Information in respect of each subsidiary to be presented with amounts ₹ in lakhs)

S No.	Particulars	Name of the Company		
1.	Name of the subsidiary	Harita Two Wheeler Mall Private Limited	TVS Housing Finance Private Limited	Harita ARC Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2024 to 31.03.2025		
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	₹	₹	₹
4.	Share capital / Contribution	0.25	1,200.00	0.25
5.	Reserves & Surplus	(1.81)	429.95	(1.92)
6.	Total assets	0.24	1,657.27	0.24
7.	Total liabilities	1.80	26.67	1.91
8.	Investments	-	-	-
9.	Turnover	-	108.32	-
10.	Profit/(Loss) before taxation	(0.12)	107.86	(0.25)
11.	Provision for taxation / Current Year Taxes	-	26.57	-
12.	Profit/(Loss) after taxation	(0.12)	81.28	(0.25)
13.	Proposed Dividend	-	-	-
14.	% of shareholding	100%	100%	100%

Part "B"

Statement containing salient features of the financial statement of Associates and joint Venture

(Information in respect of each subsidiary to be presented with amounts ₹ in Lakhs)

Not applicable

As per our report annexed
For CNGSN & Associates LLP
Chartered Accountants
Firm Regn No.: 004915S

C. N. Gangadaran
Partner
Membership No.: 011205

As per our report annexed
For Suri & Co.,
Chartered Accountants
Firm Regn No.: 004283S

Sanjeev Aditya. M
Partner
Membership No.: 229694

Sudarshan Venu
Chairman
DIN: 03601690

Ashish Sapra
Director & Chief Executive Officer
DIN: 09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

28th April 2025
Chennai

Annexure-V to Directors' Report to the Shareholders

Company's Philosophy on Corporate Governance

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company's philosophy on corporate governance is founded on the fundamental ideologies of the Group viz., Trust, Value, Exactness and Passion for Customers.

The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built.

The Company would constantly endeavour to improve on these aspects. The Company ensures good governance through the implementation of effective policies and procedures, which is mandated and reviewed by the board and the duly constituted committees of the Board.

Board of Directors

i) The Board of Directors along with its committees provide leadership and guidance to the Company's management and directs, supervises and controls the activities of the Company.

ii) The size of the Board is commensurate with the size and business of the Company. As on 31st March 2025, the Board comprises ten Directors, viz.:

Name of the Director (M/s.)	DIN	Initial Date of Appoi-ntment	Cate-gory	Number of Board Meetings		No of Other Direct-orships#	Remuneration (₹ In crore)			No. of shares held in the Company	Committee Memberships in other Companies##	
				Held	Atten-ded		Salary^	Sitting Fee	Comm -ission		Mem -ber**	Chair-man
Sudarshan Venu	03601690	31 Jan 2013	NED & Chair-person	6	5	17	-	-	-	-	2	1
Venu Srinivasan	00051523	21 Jun 2010	NED	6	2	24	-	0.004	-	-	1	-
Ashish Sapra	09805893	22 Nov 2024	ED	6	3	-	6.94	-	-	-	-	-
K N Radhakrishnan	02599393	17 Feb 2010	NED	6	5	6	-	0.031	-	10*	1	-
R Gopalan	01624555	20 Jul 2019	ID	6	6	10	-	0.032	0.20	-	7	1
B Sriram	02993708	12 Oct 2019	ID	6	6	8	-	0.046	0.20	-	4	1
Kalpana Unadkat	02490816	28 Jul 2021	ID	6	6	2	-	0.040	0.20	-	4	1
Dr. Deepali Pant Joshi	07139051	06 Aug 2024	ID	6	5	9	-	0.010	0.13	-	8	5
T C Suseel Kumar	06453310	06 Aug 2024	ID	6	3	4	-	0.006	0.13	-	6	4
Sanjiv Chadha	08368448	22 Nov 2024	NED	6	3	-	-	-	-	-	-	-

NED: Non-Executive Director ID: Independent Director ED: Executive Director
includes private companies, Section 8 Companies and Companies incorporated outside India
*Held as nominee of TVS Motor Services Limited
^Salary includes salary and other compensation
None of the directors, other than Mr. Venu Srinivasan and Mr. Sudarshan Venu are related to each other
**includes committees where the director holds the position of chairman.
##For the membership and chairpersonship in Committees, only Audit Committee and Stakeholder Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

Meetings of the Board

During the year, the Board met 6(Six) times on the following dates and the gap between two meetings did not exceed one hundred and twenty days.

FY 2024-25		Meeting date
April – June	(Q1)	8th May 2024
July – September	(Q2)	6th August 2024
October - December	(Q3)	14th October 2024 25th November 2024
January - March	(Q4)	27th January 2025 28th March 2025

The necessary quorum was present at the meetings. In compliance with the applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, the Company facilitates the participation of the Directors in Board/Committee meetings through video conferencing. The agenda for the meetings were circulated through a Digital application installed on iPads as an eco-friendly measure. All notes to agenda items for convening meetings of the Board / Committees are being uploaded in digital mode well in advance.

S. No	Name of Director (M/s.)	Board Meetings		Whether present at previous AGM held on 7th August 2024
		Entitled to attend	Attended	
1.	Sudarshan Venu	6	5	No
2.	Venu Srinivasan	6	2	No
3.	K N Radhakrishnan	6	5	Yes
4.	R Gopalan	6	6	Yes
5.	B Sriram	6	6	No
6.	Kalpana Unadkat	6	6	Yes
7.	Dr. Deepali Pant Joshi	5	5	NA
8.	T C Suseel Kumar	5	3	NA
9.	Ashish Sapra	3	3	NA
10.	Sanjiv Chadha	3	3	NA

Listed entities in which the directors hold position as director and category of Directorship:

Name of the Director (M/s.)	Name of the company	Category of directorship
Venu Srinivasan	TVS Holdings Limited	Non-Executive Director-Chairman
	TVS Motor Company Limited	Executive Director
	Sundaram Clayton Limited	Executive Director
Sudarshan Venu	TVS Holdings Limited	Executive Director
	Coromandel International Limited	Independent Director
	TVS Motor Company Limited	Executive Director
K N Radhakrishnan	TVS Motor Company Limited	Executive Director
R Gopalan	TVS Holdings Limited	Non-Executive Director
	Sundaram Clayton Limited	Independent Director
	Zee Entertainment Enterprises Limited	Independent Director – Chairman
	Vedanta Limited	Independent Director
B Sriram	ICICI Bank Limited	Independent Director
	Nippon Life India Asset Management Limited	Independent Director
	TVS Motor Company Limited	Independent Director
	TVS Supply Chain Solutions Limited	Independent Director

Name of the Director (M/s.)	Name of the company	Category of directorship
Dr. Deepali Pant Joshi	TVS Motor Company Limited	Independent Director
	Coromandel International Limited	Independent Director
	Aurobindo Pharma Limited	Independent Director
	LMW Limited	Independent Director
Kalpana Unadkat	Avenue Supermarts Limited	Independent Director
	Eris Lifesciences Limited	Independent Director
T C Suseel Kumar	Manappuram Finance Limited	Independent Director
	FirstSource Solutions Limited	Independent Director
	PCBL Chemical Limited	Independent Director

Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, one meeting of Independent Directors was held during the year. The meeting was conducted on 6th March 2025 to enable Independent Directors to discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management.

In this meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

Familiarisation programme

Familiarisation programme is made available to the Directors covering such topics on Board's role, Board's composition and conduct, Board's risks and responsibilities, to ensure that they are fully informed on current governance issues.

The programme also includes briefings on the culture, values and business model of the Company, the roles and responsibilities of senior executives and the Company's financial, strategic, operational and risk management position.

The familiarisation of Independent Directors majorly covered their roles, rights, responsibilities in the Company under Company Law and Economic Laws as well as under Listing Regulations, overall governance framework of the Company and specific governance requirements of NBFCs. The details of familiarisation programmes for the Financial Year 2024-25, in terms of the requirements of SEBI Listing Regulations are available on the website of the Company and can be accessed at https://www.tvscredit.com

Chart setting out the skills/expertise/competence of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the existing composition of the Board.

Name of Directors (M/s.)	Brief description of special skills
Sudarshan Venu	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology, Human Resource
Venu Srinivasan	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology, Human Resource

Name of Directors (M/s.)	Brief description of special skills
Ashish Sapra	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Information Technology, Human Resource
K N Radhakrishnan	Leadership, Risk Management Business and Strategic Planning, Ethics and Regulatory Oversight, Information Technology, Human Resource
R Gopalan	Administration, Risk Management, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
B Sriram	Risk Management, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
Kalpana Unadkat	Risk Management Business and Strategic Planning, Legal, Governance, Ethics and Regulatory Oversight, Human Resource
Dr. Deepali Pant Joshi	Leadership, Industry Knowledge, Risk Management, Economics, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
T C Suseel Kumar	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
Sanjiv Chadha	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology

Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel:

The Company has in place a Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (the Code) approved by the Board.

The Company's Code of Conduct embodies its values and expectations to which its corporate standards and employee policies are aligned.

The Code has been communicated to Directors and the Senior Management Personnel. An updated version of Code of Conduct, which is available on Company's website in the following link https://www.tvscredit.com/wp-content/uploads/2023/09/Code-of-Business-Conduct-and-Ethics.pdf.

All the Members of the Board and Senior Management Personnel have confirmed compliance with the Code for the year ended 31st March 2025.

Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These are the Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee, Asset Liability Management Committee, Information Technology (IT) Strategy Committee, Credit Sanction Committee, Senior Management Committee and Stakeholders Relationship Committee.

Composition of Committees

Name of Committee	Name of Committee members	Category	Chairperson/ Membership	Date of Appointment
Audit Committee	R Gopalan	Independent Director	Chairperson	20-Jul-2019
	Sanjiv Chadha	Non-Executive Director	Member	27-Jan-2025
	Kalpana Unadkat	Independent Director	Member	27-Oct-2023

Name of Committee	Name of Committee members	Category	Chairperson/ Membership	Date of Appointment
Nomination & Remuneration Committee	Kalpana Unadkat	Independent Director	Chairperson	04-Feb-2022
	Sudarshan Venu	Non-executive Director	Member	04-Feb-2022
	B Sriram	Independent Director	Member	04-Feb-2022
Risk Management Committee	K N Radhakrishnan	Non-executive Director	Chairperson	22-Oct-2018
	R Gopalan	Independent Director	Member	11-Jan-2024
	Kalpana Unadkat	Independent Director	Member	28-Jul-2021
Stakeholders Relationship Committee	K N Radhakrishnan	Non-executive Director	Chairperson	04-Feb-2022
	R Gopalan	Independent Director	Member	04-Feb-2022
	Kalpana Unadkat	Independent Director	Member	04-Feb-2022
Corporate Social Responsibility Committee	Venu Srinivasan	Non-executive Director	Chairperson	27-Mar-2015
	K N Radhakrishnan	Non-executive Director	Member	27-Mar-2015
	R Gopalan	Independent Director	Member	20-Jul-2019
IT Strategy Committee	B Sriram	Independent Director	Chairperson	28-Jul-2021
	Ashish Sapra	Director and Chief Executive Officer	Member	27-Jan-2025
	K N Radhakrishnan	Non-executive Director	Member	04-Jan-2018
Asset Liability Management Committee	Ashish Sapra	Director and Chief Executive Officer	Chairperson	01-Sep-2022
	Sudarshan Venu	Non-executive Director	Member	31-Jan-2013
	B Sriram	Independent Director	Member	12-Oct-2019
Credit Sanction Committee	B Sriram	Independent Director	Chairperson	10-Mar-2020
	Sudarshan Venu	Non-executive Director	Member	10-Mar-2020
	K Gopala Desikan	Group Chief Financial Officer	Member	10-Mar-2020
	Ashish Sapra	Director and Chief Executive Officer	Member	02-Nov-2022

a. Audit Committee:

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Act, Regulation 18 and 62F of the SEBI Listing Regulations and Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter alia performs the following functions:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings of assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;

- Monitoring the end use of funds raised through public offers and related matters.
- Monitoring, reviewing, recommending and approving all related party transactions including granting omnibus approval for RPTs having value not exceeding ₹1 crore per transaction for a period of one year.

Roles and Responsibilities:

- Oversight of company's financial reporting process and disclosure of its financial information to ensure that the financial statements are fair and transparent, sufficient and credible
- The role of the Audit Committee would include the review and audit of the working of the management of the company in terms of the profitability, cost control and performance of credit exposures
- Recommending the appointment of and removal of external and internal auditors, recommending audit fee and approval for payment for any other services
- Approval of Annual Plans before it is placed before the Board
- Reviewing with the management the quarterly and annual financial statements before submission to the Board, focussing primarily on the following as may be applicable
    1. Accounting policies and practices followed and any deviations or changes with reference to the earlier policies and practices.
    2. Major accounting entries based on exercise of judgement by management.
    3. Qualifications in draft audit report.
    4. Significant adjustments arising out of audit.
    5. The going concern assumption.
    6. Compliance with accounting standards.
    7. Compliance with the legal requirements concerning financial statements.
    8. Any related party transaction i.e. transactions of Company or its Subsidiaries of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large and Omnibus approval for related party transactions of the Company and its Subsidiaries.
- Reviewing with the management, reports of external and internal auditors, and the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit, plan and scope of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud, irregularity, or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- Review of company's asset position, realisability and other related matters in respect of collateral securities, sale of properties etc.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of dividends declared if any) and creditors.
- To review the quarterly and annual financial statements before submission to the Board and ensure compliance of internal control systems.
- Authority to investigate into any matter referred to it by the Board.
- Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

The Audit Committee also ensures that an Information System Audit of the internal systems and processes is conducted every year to assess operational risks faced by the Company.

During the year Mr. B Sriram, Independent Director ceased to be the member of the Committee, and Mr. Sanjiv Chadha, Director was appointed as member of the Committee.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	R Gopalan (Chairman)	B Sriram#	Kalpana Unadkat	Sanjiv Chadha*
7th May 2024	✔	✔	✔	NA
5th August 2024	✔	✔	✔	NA
14th October 2024	✔	✔	✔	NA
20th November 2024	✔	✔	✔	NA
27th January 2025	✔	✔	✔	NA
27th March 2025	✔	NA	✔	✔

NA – Not Applicable
*Appointed as member with effect from 27th January 2025
#Ceased to be a member with effect from 27th January 2025

The matters reviewed and recommended by the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review were accepted by the Board.

b. Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Act read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee). The Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the Committee including the amount of expenditure to be incurred on CSR activities are submitted to the Board for its approval. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programmes or activities undertaken by the Company and also monitors CSR policy from time to time.

Roles and Responsibilities:

- To review, agree and establish the Company's corporate strategy to ensure that CSR is and remains an integral part of its business strategy;
- To review the standards, policies and conduct of the Company relating to the application of CSR principles;
- To review reports of CSR progress and audits of CSR performance against key performance indicators across programme areas;
- To review an annual budget for CSR activities approved by the Board, as part of the overall budget;
- To ensure that the Company's website communicates and reports its CSR approach and performance in a timely, complete and coherent manner; and
- To perform such other function related or incidental to the CSR Policy of the Company, at the request of the Board;
- To perform all such actions as may be required under the relevant laws as prescribed by the Companies Act, 2013 and rules/regulations as prescribed by various regulators.

Based on the recommendation of the CSR Committee, the Board approved the projects / programmes to be carried out as CSR activities by Srinivasan Services Trust (SST) in compliance with the CSR policy of the Company and contributed ₹10 crore constituting more than 2% of average net profits, for the immediate past three financial years, towards CSR spending for the financial year 2024-25.

SST, with over 29 years of service, has played a pivotal role in changing lives of people in many villages in rural India by creating self-reliant communities that are models of sustainable development.

The Company is eligible to spend on their ongoing projects / programmes, falling within the CSR activities specified under the Act as mandated by the MCA for carrying out its CSR activities.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meeting	Members Present (M/s)		
	Venu Srinivasan (Chairman)	R Gopalan	K N Radhakrishnan
8th May 2024	LOA	✓	✓

LOA - Leave of Absence

The matters reviewed and recommended in the meetings of the CSR Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review were accepted by the Board.

c. Nomination & Remuneration Committee:

The Company has in place the Nomination & Remuneration Committee (NRC) in line with the applicable provisions of Section 178 of the Act and Regulation 19 and 62G read with Part D of Schedule II of the SEBI Listing Regulations. It was constituted, inter-alia to formulate and recommend to the board of directors, the Company's policies relating to identification of directors, key managerial personnel and senior management personnel, one level below the Board and remuneration payable to them and the criteria for determining qualifications, positive attributes and independence of a director.

The NRC lays down the evaluation criteria for evaluating the performance of every director, committees of the Board and the Board as a whole and also the performance of key managerial personnel (KMP) and senior management personnel (SMP).

NRC prescribes a peer evaluation methodology by way of set of questionnaires to evaluate the performance of individual Directors, committee(s) of the Board, Chairman and the Board as a whole, and the Board carried out the performance evaluation as per the methodology.

The performance evaluation of the Board as a whole is assessed based on the criteria like its composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision-making, follow-up action, quality of information, governance issues and reporting by various committees set up by the Board.

The performance evaluation of individual director is carried out based on his / her commitment to the role and fiduciary responsibilities as a Board member, attendance and active participation, strategic and lateral thinking, contribution and recommendations given professionally, heading / acting as members of various sub-committees etc.

The performance of SMP was measured against the achievement of the business plans approved by the Board during and at the completion of the financial year and their annual at-risk remuneration reflects their business plan achievements.

The NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable to the SMP. The NRC also delegated its authority to the Chairman, wherever appropriate, for this purpose.

The NRC also ensures 'fit and proper' status of proposed and existing directors on a continual basis.

Brief description of terms of reference:

1.1 Guiding the Board of the Company to lay down the terms and conditions in relation to appointment and remuneration of Director(s), KMP and SMP.

1.2 Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration.

1.3 Recommending to the Board on remuneration payable to the Director(s), KMP and SMP of the Company based on (i) Company's structure and financial performance and (ii) remuneration trends and practices that prevail in peer companies across automobile industry.

1.4 Retaining, motivating and promoting talent among the employees and ensuring the long-term sustainability of talented SMP by the creation of competitive advantage through a structured talent review.

1.5 Devise a policy on diversity in the Board.

1.6 Develop a succession plan for the Board and SMP.

1.7 Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)		
	Kalpana Unadkat (Chairman)	Sudarshan Venu	B Sriram
8th May 2024	✔	LOA	✔
6th August 2024	✔	✔	✔
14th October 2024	✔	LOA	✔
27th January 2025	✔	LOA	✔

LOA - Leave of Absence

The subjects reviewed and recommended in the meetings of the Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

d. Risk Management Committee:

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 and 62I of the SEBI Listing Regulations and RBI Master Directions, to frame, implement and monitor the Risk Management Plan of the Company.

The Company has laid down procedures to inform Board about the risk assessment and mitigation procedures, to ensure that Management controls risk through means of a properly defined framework.

This Committee ensures that the risks associated with the functioning of the Company are identified, controlled and mitigated and also lay procedures regarding managing and mitigating the risk through integrated risk management systems, strategies and mechanism.

Roles and Responsibilities:

- To review various risks measures adopted by the company for identification, measurement, monitoring and mitigation of risks involved in various areas of functioning
- To approve and review various credit policies including its amendments laid down by the company and monitor performance levels
- To review and discuss the issues reported in Asset Liability Management Committee in relation to risk aspects
- Monitoring risk levels and also reviews of results and progress in implementation of decisions taken in earlier meeting
- To approve and review Enterprise Risk Management framework inter alia approving Risk rating criteria and review of key risks along with mitigants and Risk register
- To approve and review Risk management policy and its amendments
- Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, the RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)		
	K N Radhakrishnan (Chairman)	R Gopalan	Kalpana Unadkat
25th July 2024	✔	✔	✔
30th September 2024	✔	✔	✔
20th November 2024	✔	✔	✔
23rd January 2025	✔	LOA	✔

LOA - Leave of Absence

The matters reviewed and recommended in the meetings of the Risk Management Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

e. Asset Liability Management Committee (ALCO):

The Company constituted an Asset Liability Management Committee (ALCO), in terms of Guidelines issued by RBI to NBFCs in order to manage liquidity risk, market risks, and other funding /asset related risks for effective risk management in its portfolios.

The roles and responsibilities of the ALCO inter-alia include:

- Adherence to the financial and credit limits set by the Board in its operations
- Deciding business strategy on the assets and liabilities side in line with the budget and risk management objectives of the company
- Responsible for balance sheet planning from risk return perspective and asset liability mix position
- Strategic management of interest rate risks, liquidity risks and other market risks

- Responsible for business issues like product pricing for its asset and liability products
- To review funding plan, ALM coverage, Interest rate sensitivity statements, liquid coverage ratios, fixation of limits and monitoring against limits
- Approve credit facilities from various banks / financial institutions and to authorize directors / officials of the company for this purpose credit facilities up to the limits delegated by the Board
- Approve and review ALCO policy and its amendments
- All other roles and responsibilities of ALCO as specified by the Reserve Bank of India

The particulars of meetings and attendance by the members of the Committee, during a member the year under review, are given in the table below:

Date of the meetings	Members present (M/s)		
	Ashish Sapra (Chairman)	Sudarshan Venu	B Sriram
20th June 2024	✔	LOA	✔
25th September 2024	✔	✔	✔
21st December 2024	✔	✔	✔
24th March 2025	✔	LOA	✔

LOA- Leave of Absence

The matters reviewed and recommended in the meetings of ALCO were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by ALCO during the year under review, were accepted by the Board.

f. Information Technology (IT) Strategy Committee:

In line with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November 2023, issued by Reserve Bank of India, NBFCs are required to established as a Board-level committee with minimum three directors, who are technically competent as members and an independent director with substantial IT expertise as chairperson of the Committee.

The roles and responsibilities of the Information Technology Strategy Committee inter-alia include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
- Reviewing the effectiveness of IT outsourced operations
- All other roles/responsibilities of IT Strategy Committee as specified in Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices and other circulars/directions issued by Reserve Bank of India and applicable to NBFCs

During the year Mr. Sudarshan Venu, Non-Executive Director ceased to be the member of the Committee. Mr. Ashish Sapra, Director and CEO was appointed as a member of the Committee.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	B Sriram (Chairman)	Sudarshan Venu*	K N Radhakrishnan	Ashish Sapra^
20th June 2024	✔	LOA	✔	NA
30th September 2024	✔	LOA	✔	NA
22nd November 2024	✔	LOA	✔	NA
13th March 2025	✔	NA	✔	✔

LOA - Leave of Absence
*Ceased to be a member with effect from 27th January 2025
^Appointed as member with effect from 27th January 2025

The subjects reviewed and recommended in the meetings of the Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

g. Credit Sanction Committee

The Company constituted the Credit Sanction Committee (CSC) to consider and approve credit proposals of material nature.

The Committee did not meet during the year under review as there was no requirement which necessitated holding of the meeting.

The Committee consists of the following directors and officials:

S.No.	Name (M/s.)	Status
1.	B Sriram	Chairman
2.	Sudarshan Venu	Member
3.	Ashish Sapra	Member
4.	K Gopala Desikan	Member

h. Senior Management Committee

The Company had constituted the Senior Management Committee to ensure adherence and compliance by monitoring and controlling the outsourcing activities engaged by the company in accordance with the requirements of RBI guidelines issued on 9th November 2017 in this regard.

During the year under review, the committee met four times on 28th June 2024, 24th September 2024, 18th December 2024 and 31st March 2025.

i. Stakeholders Relationship Committee

In terms of Regulation 20 and 62H of SEBI Listing Regulations, the Company has constituted Stakeholders Relationship Committee. The Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. The terms of reference for the Committee are as follows:

- Oversee and review all matters connected with the transfer of the Company's securities
- Monitor redressal of investors' / shareholders' / security holders' grievances
- Oversee the performance of the Company's Registrar and Transfer Agents

- Recommend methods to upgrade the standard of services to investors
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable

Composition of the Stakeholders Relationship Committee and attendance of the members at Committee meetings are as follows:

Date of the meetings	Members present (M/s)		
	K N Radhakrishnan (Chairman)	Kalpana Unadkat	R Gopalan
30th September 2024	✔	✔	✔

There were no complaints received during the year 2024-25.

iii) General body meeting:

Location and time where Annual General Meetings (AGMs) were held during the last three years:

Year	Venue of the meeting	Date	Time
2021-22	Registered Office	29th June 2022	02.00 PM
2022-23	Registered Office	17th July 2023	10.00 AM
2023-24	Registered Office	7th August 2024	04.00 PM

Special resolutions passed in the previous three AGMs:

Year	Subject Matter of Special Resolution	Date of AGM
2021-22	1. Approval under Section 180(1)(c) of the Companies Act, 2013 to borrow in excess of the aggregate of the paid-up capital and free reserves of the Company. 2. Approval under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowing by creating charges / mortgages over the properties of the Company.	29th June 2022
2022-23	-	17th July 2023
2023-24	-	7thAugust 2024

Special resolutions passed the Extra-ordinary General Meetings (EGMs) during the Financial Year:

Date	Place	Subject Matter of Special Resolution
10th May 2024	Registered Office	Approval of Restated Articles of Association of the Company
25th June 2024	Registered Office	1. Approval for issue of equity shares on a private placement basis 2. Approval under Section 180(1)(c) of the Companies Act, 2013 to borrow in excess of the aggregate of the paid-up capital and free reserves of the Company 3. Approval under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowing by creating charges / mortgages over the properties of the Company 4. Reappointment of Mr. R Gopalan as Independent Director of the Company
23rd September 2024	Registered Office	1. Reappointment of Mr. B Sriram as Independent Director of the Company 2. Appointment of Dr. Deepali Pant Joshi as Independent Director of the company 3. Appointment of Mr. T C Suseel Kumar as Independent Director of the company

Date	Place	Subject Matter of Special Resolution
11th November 2024	Registered Office	Approval of "TVS Credit Employee Stock Option Plan 2024' ("ESOP 2024"/ "Plan")
27th December 2024	Registered Office	1. Appointment of Mr. Ashish Sapra as Director and CEO of the Company 2. Appointment of Mr. Sanjiv Chadha as Non-executive Non-Independent Director

There was no resolution passed through postal ballot and no special resolution is proposed to be conducted through postal ballot as of the date of this report.

iv) **Means of communication to shareholders**

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and specific communications to Stock Exchanges, where the Company's securities are listed.

Quarterly results:

The Company's quarterly/half-yearly/annual financial results were sent to the Stock Exchanges and were published in English newspaper. They are also available on the website of the Company.

Newspapers wherein results are normally published:

The results are normally published in Business Standard and are also available on the website of the Company.

Website:

The Company is maintaining a functional website www.tvscredit.com. This website contains all the information and other details as may be required under the Regulation 62 of Listing Regulations. The Company ensures that the contents of this website are periodically updated.

v) **General shareholder information:**

AGM Date and time	:	30th July 2025 at 4.00 P.M.
Financial year	:	1st April to 31st March
Financial calendar	:	2025-26
Financial reporting for the quarter ending	:	Financial calendar
30th June 2025	:	Before 14th August 2025
30th September 2025	:	Before 14th November 2025
31st December 2025	:	Before 14th February 2026
31st March 2026	:	Before 30th May 2026

Particulars of dividend payment:

The Company has not declared any dividend to its Shareholders.

vi) Listing on Stock Exchanges:

Name and address of the Stock Exchange	Stock Code / Symbol
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 | Tel.: 91 22 2659 8100 | Fax : 91 22 2659 8120	As only the Non-convertible Debentures are listed and Equity Shares of the Company are not listed, the stock code is not applicable.
ISIN allotted by Depositories (Company ID Number) for Non-Convertible Debentures (NCD) listed with NSE as on 31st March 2025	**1.** INE729N08030 **8.** INE729N08097 **2.** INE729N08048 **9.** INE729N07057 **3.** INE729N08055 **10.** INE729N08105 **4.** INE729N08063 **11.** INE729N08113 **5.** INE729N08071 **12.** INE729N07065 **6.** INE729N08089 **13.** INE729N07073 **7.** INE729N07032 **14.** INE729N07081

(Note: Annual listing fees and custodial charges for the year 2024-25 were duly paid to the National Stock Exchange and Depositories)

vii) Market price data and Share price performance in comparison to broad-based indices - NSE Nifty and BSE Sensex: Not applicable as the Shares of the Company are not listed.

viii) Suspension of Securities from trading: During FY 2024-25, none of the securities of the Company were suspended from trading.

ix) Share Transfer Agents and Share Transfer System:

In terms of Regulation 7 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed Integrated Registry Management Services Limited, as the Share Transfer Agent of the Company for Shares and Cameo Corporate Services Limited as Registrar and Transfer Agent for Debentures. They continue to be the Registrar and Share Transfer Agents and handle all relevant corporate registry services for the Company.

x) Distribution of Shareholding

Shareholding (Range)	No. of Members	%	No. of Equity Shares	%
Up to 5000	5*	26.31	50.00	0.00
5001-10000	1	5.26	8,516.00	0.00
10001-20000	1	5.26	17,032.00	0.01
20001-50000	2	10.53	68,126.00	0.03
50001-100000	2	10.53	1,02,190.00	0.04
100001 & above	8	42.11	23,60,76,792.00	99.92
Total	**19**	**100**	**23,62,72,706.00**	**100.00**

*The shares are held by 5 individual as nominees of TVS Motor Services Limited.

Shareholding (Range)	No. of Members	%	No. of Compulsorily Convertible Preference Shares	%
Up to 5000	-	-	-	-
5001-10000	-	-	-	-
10001-20000	-	-	-	-
20001-50000	-	-	-	-
50001-100000	-	-	-	-
100001 & above	2	100	1,83,84,684	100.00
Total	**2**	**100**	**1,83,84,684**	**100.00**

xi) Dematerialization of shares and liquidity:

The Company has provided its Shareholders the option to hold their shares in dematerialised form and as on 31st March 2025, all the shares forming part of the paid-up capital of the Company are in dematerialised form.

xii) The Company has not issued any Global Depository Receipt / American Depository Receipt/ Warrant or any convertible instrument, which is likely to have impact on the Company's Equity except 1,83,84,684, 0.00 1% Compulsorily Convertible Preference Shares of ₹10/- each.

xiii) List of Credit Rating:

The credit rating details are disclosed in the Financial Statements forming part of this Annual Report.

xiv) Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹73 lakhs to the Statutory Auditors for all services received by the listed entity and its subsidiaries, on a consolidated basis.

xv) Sexual Harassment at workplace:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), as amended, Company has a robust mechanism in place to redress complaints reported under it. The details of case of sexual harassment reported during the financial year 2024-25 are as under:

No. of Complaints received	1
No. of Complaints resolved	1
No. of Complaints pending	-

In terms of the provisions of Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an Internal Committee (IC) is constituted by the Company to consider and resolve the sexual harassment complaints.

xvi) Non-mandatory disclosures

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

a. The Board:

Mr. Sudarshan Venu and Mr. Venu Srinivasan, Non-Executive Director as on 31st March 2025, are liable to retire by rotation as per the provisions of the Companies Act, 2013.

b. Shareholder rights:

The quarterly results of the Company are published in newspapers as soon as they are approved by the Board and are also uploaded on the Company's website namely www.tvscredit.com. The results are not sent to the shareholders individually.

c. Audit qualifications:

There were no audit qualifications during the financial year under review.

d. Reporting of internal auditor:

The reporting of internal auditor is in accordance with the RBI Circular on Risk based Internal Audit.

xvii) Disclosure on compliance with SEBI guidelines for fund raising by issuance of debt securities by large corporate:

The Company qualifies as a Large Corporate under Chapter XII of the SEBI Master Circular dated 22nd May 2024, on the issuance and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities, and Commercial Paper. In accordance with these guidelines, the Company is required to raise at least 25% of its incremental borrowings during a financial year through the issuance of debt securities. This requirement must be fulfilled within a contiguous block of three years.

During the year under review, the Company's incremental eligible borrowings stood at ₹10,650 crore. Accordingly, it was required to raise ₹2,663 crore through issuance of debt securities. Of this, the company raised ₹1,675 crore in FY24-25. The balance ₹988 crore will be raised within the prescribed timeline of three contiguous years i.e. 31st March 2027, to ensure compliance with the SEBI circular.

Other Disclosures

a. Materially significant related party transactions:

All transactions entered into with related parties (RPTs), as defined under the Act and the Listing Regulations, during the financial year 2024-25 were in the ordinary course of business and at arm's-length and do not attract the provisions of Section 188 of the Act and the rules made thereunder.

The transactions with the related parties, namely its promoters, its holding, subsidiary and associate companies etc., have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015.

Related Party Transaction Policy

During the financial year, there were no materially significant related party transactions or pecuniary relationships between the Company and its Directors that could potential conflict with the interest of the Company. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a policy for dealing with related party transactions and the said policy is available on the

website of the Company at https://www.tvscredit.com/wp-content/uploads/2025/05/Related- Party-Transactions-Policy.pdf

All related party transactions are placed before the Audit Committee on quarterly basis. Transactions with related parties, as per the requirements of Ind-AS and Regulation 53(1) (f) of SEBI Listing Regulations, are disclosed in notes to accounts annexed to the Financial Statements.

All the related party transactions that were entered into during the financial year were on arm's-length basis and in ordinary course of business. There were no materially significant transaction requiring approval of Shareholders during the year.

b. Pecuniary relationships or transactions with IDs vis-à-vis the Company during the year under review, do not exceed the threshold limit as laid down under the Listing Regulations.

c. There were no instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during the last three years.

d. Loans and advances in the nature of loans to firms/companies in which Directors are interested in by name and amount - Nil.

e. The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed in this Report.

f. The Company does not engage in trading or dealing in commodities and hence is not exposed to commodity price risk.

However, during the financial year, the Company entered into derivative transactions with a counterparty to hedge its foreign exchange and interest rate risks arising out of External Commercial Borrowings (ECBs).

These ECBs are fully hedged, thereby eliminating exposure to foreign exchange fluctuations.

g. Material Subsidiaries

The Board has duly formulated a policy for determining 'material subsidiaries'. As per the amended Listing Regulations 'material subsidiary' shall mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

As per the above definition, the Company does not have any subsidiary whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively.

Copy of the Material Subsidiary policy is available on the Company's website at https://www.tvscredit.com/wp-content/uploads/2023/08/14-Determination-of-Material-Subsidiary.pdf.

h. Succession Planning

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.

xviii) Branch Locations:

The Company has a presence in 28 states and 4 Union Territories in India and in 159 locations through its offices.

xix) Address for investor correspondence:

	For transfer / dematerialisation of securities, payment of dividend/ interest on securities and any other query relating to the securities of the Company	:	Equity Shares: Integrated Registry Management Services Limited, Share Transfer Agent (STA) Unit: TVS Credit Services Limited Chennai – 600 006 Debentures: Cameo Corporate Services Ltd 'Subramanian Building', No. 1, Club House Road, Chennai – 600 002
	For non-receipt of annual report	:	Equity- corpserv@integratedindia.in Debt- investor1@cameoindia.com
	For investors' grievance & general correspondence	:	Equity- corpserv@integratedindia.in Debt- investor1@cameoindia.com
	Debenture Trustees	:	Beacon Trusteeship Limited Address: 5W, 5th Floor, The Metropolitan Building, E Block BKC, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 E-mail: compliance@beacontrustee.co.in IDBI Trusteeship Services Limited Address: Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort Bazargate, Mumbai, India - 400001 E-mail: teamolive@idbitrustee.com

xx) Pursuant to the guidelines on 'Fair Practices Code' issued by RBI, the Company has adopted a Fair Practice Code which is posted on the website of the Company and a regular review on the implementation of the same is conducted by the Committee members.

xxi) The Company has adopted a Code of Conduct for employees of the Company and due care is taken that the employees adhere to it.

xxii) The Company has fulfilled the prudential norms and standards as laid down by RBI pertaining to income recognition, provisioning of non-performing assets and capital adequacy.

The Capital Adequacy Ratio of the Company is in compliance with the limits prescribed by RBI. The Fair Practices Code and KYC norms framed by the Company seek to promote good and fair practices by setting minimum standards in dealing with customers, increase transparency so that customers have a better understanding of what they can reasonably expect of the services being offered, encourage market forces through competition to achieve higher operating standards, promote fair and cordial relationships between customers and the Company and foster confidence in the finance system.

The Company has put in place a mechanism to monitor and review adherence to the Fair Practices Code, KYC norms & Credit policies as approved by the Board of Directors.

xxiii) The Board of Directors of the Company reviews, records and adopts the minutes of the meetings of various Committees constituted by the Company.

xxiv) Remuneration to Directors:

Criteria for remuneration to Directors:

The Non-Executive / Independent Director(s) receive remuneration by way of fees for attending meetings of Board or any Committee in which Director(s) is member.

In addition to the sitting fees, the Non-Executive Independent Director(s) shall be entitled to commission from the Company subject to the monetary limit approved by shareholders of the Company and aggregate commission amount would not exceed the limit as prescribed under the provisions of the Act.

Executive Directors:

The remuneration payable to Director & CEO is fixed by the Board and are within the limits approved by the Shareholders in terms of the relevant provisions of the Act read with Regulation 17 of the Listing Regulations.

Particulars of remuneration to Executive Director for the financial year 2024-25 has been disclosed under the section 'Board of Directors' in this report.

Non-Executive Directors:

Sitting fees

The Non-Executive Directors (NEDs) are paid sitting fees of ₹20,000/- for each meeting of the Board and Committee thereof attended by them, which is within the limits, prescribed under the Act.

Commission

The Company benefits from the expertise, advice and inputs provided by IDs. IDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company, from time to time and hence IDs are being paid by way of sitting fees and commission.

The Board at its meeting held on 28th April 2025 approved the payment of commission of ₹20,00,000/- to the Non-Executive Independent Directors of the Company for the year ended 31st March 2025. The amount of commission for every financial year is decided by the Board, in terms of the approval of Shareholders at Annual General Meeting held on 27th July 2020, subject to the limit of 1% of net profits of the Company, in aggregate, as calculated pursuant to Section 198 of the Act. The above compensation structure is commensurate with the best practices in terms of remunerating IDs and adequately compensates for the time and contribution made by IDs.

None of the NEDs have been paid remuneration exceeding 50% of the total annual remuneration payable to all NEDs of the Company.

The Board at its meeting held on 14th October 2024, based on the recommendation of the Nomination and Remuneration Committee, approved the 'TVS Credit Employee Stock Option Plan' with a view to reward, attract, motivate and retain employees of the Company and the same was approved by the shareholders vide a special resolution on 11th November 2024.

xxv) None of the NEDs, except Mr. K N Radhakrishnan who holds shares on behalf of TVS Motor Services Limited, holds equity shares of the Company. Sitting fees and Commission paid to NEDs for the meetings held during 2024-25 are as follows –

S.No.	Name of the directors (M/s.)	Sitting Fees (Amount in ₹)	Commission (Amount in ₹)
1	Sudarshan Venu	-	NA
2	Venu Srinivasan	40,000	NA
3	K N Radhakrishnan	3,10,000	NA
4	Sanjiv Chadha	-	NA
5	R Gopalan	3,20,000	20,00,000

S.No.	Name of the directors (M/s.)	Sitting Fees (Amount in ₹)	Commission (Amount in ₹)
6	B Sriram	4,60,000	20,00,000
7	Kalpana Unadkat	4,00,000	20,00,000
8	Dr. Deepali Pant Joshi	1,00,000	13,04,110*
9	T. C. Suseel Kumar	60,000	13,04,110*

*Paid on pro-rata basis from their date of appointment

No other amounts were paid to any of the NEDs of the Company other than payments in the nature of reimbursement of expenses .

xxvi) **Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:**

There was no resignation of Independent Director during the year.

xxvii) **Details of non-compliance with requirements of Companies Act, 2013:**

There has been no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

xxviii) **Vigil Mechanism and Whistle Blower Policy:**

Over the years, the Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behaviour. Vigil mechanism has been instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and the Listing Regulations. The Audit Committee oversees the functioning of this policy. Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct.

Copy of the said Policy is available in the Company's website in the following link https://www.tvscredit.com/wp-content/uploads/2025/02/Whistleblower-Policy.pdf

xxix) **Details of penalties and strictures:**

There were no penalties or strictures imposed on the Company by the Reserve Bank of India or any other Statutory Authority.

xxx) **Breach of covenant:**

There have been no instances of breach of covenant of loan availed or debt securities issued.

xxxi) **Divergence in Asset Classification and Provisioning:**

As per the last available RBI Supervisory Report for the Financial Year 2022-23, there is no divergence in asset classification and provisioning assessed by RBI.

xxxii) The certification from Mr. Ashish Sapra, Director and Chief Executive Officer and Ms. Roopa Sampath Kumar, Chief Financial Officer on the financial statements has been obtained.

xxxiii) In terms of Corporate Governance, the Company has complied with the applicable requirements stipulated under Regulations 17 to 27 read with Schedule V, Regulation 62 and Chapter VA of the SEBI Listing Regulations.

For further clarification / information, stakeholders are requested to visit the Company's website at https://www.tvscredit.com/

Annexure - VI to Directors' Report to the Shareholders

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

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

To

The Members
TVS CREDIT SERVICES LIMITED
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai - 600 006

Dear sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practice by TVS Credit Services Limited, (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iii) The provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iv) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to high value debt listed entities;

v) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

vi) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable to debt listed companies.

Besides this, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company viz.,

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) The Securities and Exchange Board of India (Share based employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

The Company has complied with the provisions of the other laws as applicable to the Company which inter alia includes:

(a) Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 effective from October 2023 and other directions/regulations issued by Reserve Bank of India applicable for Middle Layer NBFC;

(b) Compliance under Prevention of Money Laundering Act, (PMLA) 2002 for the purpose of compliance with the obligations under Know your Customer Norms/Anti-Money Laundering (AMC) Standards & Fair Pricing Code (FPC) and Combating of Finance of Terrorism (CFT) obligations under PMLA,2002;

(c) Labour Laws & Contract Labour (Regulations & Abolition) Act, 1970 as applicable;

(d) Indian Stamp Act and Rules;

(e) Motor Vehicles Act, 1938.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation.

Further, during the year under review, the Company has listed its Non-Convertible Debentures with National Stock Exchange of India Ltd.

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

i) The Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of Sub-Section (10) of Section 118 of the Companies Act, 2013, for the financial year under review;

ii) The Company has listed its Commercial papers with National Stock Exchange of India Ltd (NSE) pursuant to SEBI circular dated 22nd October 2019. The Company has duly complied with the compliances as prescribed in the above-mentioned circular.

From the verification of records and as per the information and explanation furnished to us, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

We further report that: -

1) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.

2) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case where meeting was held on shorter notice, necessary compliances as per the Act and standards have been complied with and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3) Majority decisions are carried through while passing all the resolutions of the Board/Committees. However, on perusal of the minutes of the Board or Audit Committee or Nomination & Remuneration Committee, or Asset Liability Management Committee, or Corporate Social Responsibility Committee meetings or Risk Management Committee, it was observed that there was no dissenting note made by any of the members.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period of audit, the Company made issue of equity as well as Debt securities.

Name of the Company Secretary: B Chandra
Membership No. ACS 20879
Certificate of Practice No. 7859
UDIN: A020879G000212103
PEER REVIEW NUMBER 1711/2022

Place : Chennai
Date : 28th April 2025

To
The Members
TVS CREDIT SERVICES LIMITED
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai - 600 006

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Name of the Company Secretary: B Chandra
Membership No. ACS 20879
Certificate of Practice No. 7859
UDIN: A020879G000212103
PEER REVIEW NUMBER 1711/2022

Place : Chennai
Date : 28th April 2025

Annexure VII to Directors' Report to the Shareholders

Statement of Disclosure relating to Employees Stock Option Scheme in accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

(a)	Options granted	1,55,400
(b)	Options vested	Nil
(c)	Options exercised	Nil
(d)	The total number of shares arising as a result of exercise of option	Not Applicable
(e)	Options lapsed	Not Applicable
(f)	The exercise price	Not Applicable
(g)	Variation of terms of options	Not Applicable
(h)	Money realized by exercise of options	Not Applicable
(i)	Total number of options in force	1,55,400
(j)	Employee-wise details of options granted to:	
	(i) key managerial personnel	1,55,400
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil

To the Members of TVS Credit Services Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of TVS Credit Services Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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 Companies Act 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its Standalone profit and total comprehensive income, Standalone changes in equity and its Standalone cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit matters

Key audit matters are those matters that, in our professional judgement, 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 following are the Key Audit Matters.

Key Audit matters	How our audit addressed the Key matters
Impairment Loss Allowance Management's judgements in the calculation of impairment allowances have significant impact on the Standalone Financial Statements. The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments." Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.	We obtained an understanding of management's assessment of impairment of loans and advances including the Ind AS 109 implementation process, internal rating model, impairment allowance policy and ECL modelling methodology. We assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. We also verified the key judgements and assumptions relating to the macro-economic scenarios including the impact of Covid 19 Pandemic and the associated probability weights.

Key Audit matters	How our audit addressed the Key matters
The key areas of judgement include: 1. Categorization of loans in Stage I, II and III based on identification of: (a) exposures with significant increase in credit risk since their origination and (b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. These judgements required the models to be reassessed including the impact of Covid-19 Pandemic to measure the ECL. Management has made several interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	We also assessed the approach of the Company for categorization of the loans in various stages reflecting the inherent risk in the respective loans. For a sample of financial assets, we tested the correctness of Staging, reasonableness of PD, accuracy of LGD and ECL computation. We have also verified the compliance of circulars issued by Reserve Bank of India from time to time during the year on this subject. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements
IT Systems and Controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, Any control lapses, Validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated.	We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. Reliance was also placed on the System Audit report of the Company. Based on our review no material weakness was found in the IT Systems and Controls.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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.

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

Auditor's Responsibility for the Audit of 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 Standalone 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 financial controls 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 with reference to Standalone Financial Statements 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 Standalone 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.

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

Other Matters

One of the joint statutory auditors has not audited the comparative standalone financial statements for the year ended 31st March 2024. The comparative standalone financial statements for the year ended 31st March 2024 were audited by the previous joint statutory auditors whose report dated 8th May 2024 expressed an unmodified opinion on those standalone financial statements.

Our opinion on the Standalone Financial Statements is not modified in respect of the above matter.

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 Act, we give in "Annexure A" to this Report, a statement on the matters specified in para 3 and 4 of the said Order.

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 accounts 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, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of accounts;

   (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;

   (e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(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 on its financial position in its Standalone Financial Statements in Note no.44.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The derivative contracts being in the nature of the hedge contracts, the company does not anticipate any material losses from the same.

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, 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 it's knowledge and belief, 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 the audit procedures that has 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) contain any material misstatement.

(i) The Company has not declared or paid any Dividend during the year.

(j) With respect to Rule 11(g) of Companies (Audit & Auditors) Rules,2014, on maintenance of audit trail, transaction and edit log, based on our examination which included test checks, the company has used multiple accounting softwares for maintaining its books of accounts which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **CNGSN & Associates LLP**
Chartered Accountants
Firm Regn. No. 004915S

C.N.Gangadaran
Partner
Membership No. 011205

Date: 28.4.2025
Place: Chennai

UDIN: 25011205BMIJBH5242

For **Suri & Co.,**
Chartered Accountants
Firm Regn. No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Date: 28.4.2025
Place: Chennai

UDIN: 25229694BMIIHE1916

With reference to the Annexure A referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of TVS Credit Services Limited on the Standalone Financial Statements for the year ended 31st March 2025, we report that:

(i) a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-to-use assets.

(B) The company is maintaining proper records showing full particulars of Intangible Assets.

b) Property, Plant and Equipment and Right-to-use assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed.

c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

d) The Company has not revalued any of its Property Plant and Equipment (including Right-to-use assets) and Intangible assets during the year.

e) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Hence reporting under this clause is not applicable.

(ii) a) The company does not have any inventory and hence reporting under this clause is not applicable.

b) During the year, the company had availed working capital limits in excess of ₹5 crore from banks and financial institutions on the basis of security of current assets. The quarterly returns and the statements submitted to lenders are in agreement with the books of accounts.

(iii) The Company has not provided any guarantee or security but has made investments and granted loans or advances in the nature of loans, secured, to companies, firms, Limited Liability Partnerships or any other parties. The reporting as required under this clause is given below

a) Clause 3(iii)(a) is not applicable to the company since the company's principal business is to give loans.

b) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular except for loans amounting to ₹3,448.76 crore for which repayment of principal and payments of interest are not regular.

Bucket	Amount (₹ in crore)
1-90 DPD	2,665.78
More than 90 DPD#	782.98

Includes contracts restructured based on June 2019 circular classified as stage-III with DPD less than 91 days and Contracts with less than 91 DPD classified as Stage-III owing to Customer level Staging.

d) The amounts overdue for more than 90 days aggregating principal repayment and interest payments is ₹782.98 crore. In our opinion reasonable steps have been taken by the company for recovery of principal and interest.

e) The Company is a NBFC, whose principal business is to provide loans. Hence, reporting under clause 3(iii)(e) is not applicable.

f) The company has not given loans or advances in the nature of loans repayable on demand or without specifying the terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The company has complied with the provisions of Section 186(1) of the Act in respect of the investments made. The company has not made investment through investment companies. There are no loans, guarantees given and securities provided in respect of which provisions of Section 185 and 186 of the Companies Act,2013 are applicable.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76, or any other relevant provisions of the Act and the rules framed thereunder.

(vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the business activities carried out by the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.

(vii) a) In our opinion, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues applicable to it during the year with appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us there are no dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities on account of disputes except for:

Name of Statute	Nature of dues	Amount disputed (Rs. In crore)	Period to which the amount relates	Forum where the dispute is pending
Goods and Service Act, 2017	Goods and Service Act Dues	0.74	2017-18	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	1.55	2018-19	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.26	2019-20	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	1.39	2020-21	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.39	2020-21	Joint Commissioner
Goods and Service Act, 2017	Goods and Service Act Dues	0.31	2020-21	State Tax Officer
Goods and Service Act, 2017	Goods and Service Act Dues	0.01	2020-21	Deputy Commissioner of State Tax
Goods and Service Act, 2017	Goods and Service Act Dues	0.00	2021-22	Commissioner (Appeals)
Finance Act, 1994	Service Tax Dues	4.08	2011-12 to 2014-15	Customs Excise and Service Tax Appellate Tribunal

Name of Statute	Nature of dues	Amount disputed (Rs. In crore)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax Dues	1.45	2015-16	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	0.24	2016-17	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	0.84	2016-17 to 2017-18	Customs Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Dues	1.44	2017-18	CIT (Appeals)
Income Tax Act, 1961	Income Tax Dues	15.76	2019-20	CIT (Appeals)
Income Tax Act, 1961	Income Tax Dues	3.00	2021-22	CIT (Appeals)

(viii) There was no transactions which were not recorded in the books of accounts or surrendered as Income during the year in the tax assessments under Income Tax Act.

(ix) a) Based on our examination of the books of accounts and other 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) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the company has not been declared as a willful defaulter by any bank, financial institution, or any other lender.

c) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, term loans obtained were applied for the purposes which it was obtained.

d) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management. No funds raised on short term basis have been utilised for long term purposes.

e) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The company has not raised loans during the year on pledge of securities held in its subsidiaries companies.

(x) a) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer during the year.

b) The Company has made preferential allotment of equity shares. The Requirements of Section 42 and 62 of the Companies Act have been duly complied with by the Company. Based on our examination of the books of accounts and other records of the Company and according to the information and explanations provided by the management, the funds raised have been used for the purposes for which the funds were raised.

(xi) a) No fraud by the company or no material fraud on the company has been noticed or reported during the year.

b) No report under sub section (12) of Section 143 of the Companies Act in form ADT-4 was filed as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) The company did not receive any whistle-blower complaints during the year.

(xii) The Company is not a Nidhi Company. Hence, clauses 3(xii)(a),(b),(c) of the Order are not applicable.

(xiii) The transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) a) The company has an internal audit system commensurate with the size and nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures..

(xv) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year.

(xvi) a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has obtained registration.

b) The company has conducted Non-banking financial activities with valid Certificate of Registration from Reserve Bank of India.

c) The company is not a Core Investment Company, hence reporting under clause 3(xvi)(c) is not applicable

d) The Group does not have more than one Core Investment Companies as a part of the group.

(xvii) The company has not incurred cash losses during the year and the immediately preceding financial year.

(xviii) There was no resignation of statutory auditors during the year.

(xix) On the basis of our evaluation of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of Board of Directors and Management plans, we are of the opinion that, no material uncertainty exists as on the date of audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) a) There is no unspent amount of Corporate Social Responsibility expenditure which requires to be transferred to a fund specified in schedule VII to the Companies Act,2013.

b) The company does not have any ongoing project for CSR. Hence reporting under this clause is not applicable.

For **CNGSN & Associates LLP**
Chartered Accountants
Firm Regn. No. 004915S

C.N.Gangadaran
Partner
Membership No. 011205

Date: 28.4.2025
Place: Chennai

UDIN: 25011205BMIJBH5242

For **Suri & Co.,**
Chartered Accountants
Firm Regn. No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Date: 28.4.2025
Place: Chennai

UDIN: 25229694BMIIHE1916

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 TVS Credit Services Limited ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone 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 based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of internal financial controls with reference to Standalone 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 system 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 Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls 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, the company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2025, 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.

For **CNGSN & Associates LLP**
Chartered Accountants
Firm Regn. No. 004915S

C.N.Gangadaran
Partner
Membership No. 011205

Date: 28.4.2025
Place: Chennai

UDIN: 25011205BMIJBH5242

For **Suri & Co.,**
Chartered Accountants
Firm Regn. No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Date: 28.4.2025
Place: Chennai

UDIN: 25229694BMIIHE1916

STANDALONE BALANCE SHEET
AS ON 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

S.No.	Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,583.40	1,745.97
(b)	Bank balances other than (a) above	5	5.95	5.90
(c)	Derivative financial instruments	6	-	90.67
(d)	Receivables			
	i) Trade receivables	7	152.21	117.20
(e)	Loans	8	26,298.84	25,470.24
(f)	Investments	9	299.75	109.71
(g)	Other financial assets	10	28.28	25.05
	Total		**30,368.43**	**27,564.74**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	11.03	19.80
(b)	Deferred tax assets (net)	12	408.64	337.96
(c)	Investment property	13	85.16	85.16
(d)	Property, plant and equipment	14	45.07	35.92
(e)	Right-to-use asset	14	65.19	26.58
(f)	Capital work-in-progress	14	2.40	2.73
(g)	Intangible assets under development	14	10.96	3.18
(h)	Other intangible assets	14	2.53	2.94
(i)	Other non-financial assets	15	53.05	58.54
	Total		**684.03**	**572.81**
	Total assets		**31,052.46**	**28,137.55**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Derivative financial instruments	6	2.24	-
(b)	Payables			
	I. Trade payables			
	i) Total outstanding dues of micro enterprises and small enterprises	16	9.35	14.19
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	1,081.98	1,035.09
(c)	Debt securities	17	2,625.39	1,510.99
(d)	Borrowings (other than debt securities)	18	19,792.47	19,043.77
(e)	Subordinated liabilities	19	2,269.31	2,212.96
(f)	Other financial liabilities	20	221.35	334.63
	Total		**26,002.09**	**24,151.63**
2	**Non-financial liabilities**			
(a)	Provisions	21	59.58	67.59
(b)	Other non-financial liabilities	22	42.87	52.85
	Total		**102.45**	**120.44**
3	**Equity**			
(a)	Equity share capital	23	236.27	228.22
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other equity	24	4,693.27	3,618.88
	Total		**4,947.92**	**3,865.48**
	Total liabilities and equity		**31,052.46**	**28,137.55**
See accompanying notes to the standalone financial statements				
Material accounting policies forming part of standalone financial statements		3		
Additional notes forming part of standalone financial statements		44		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

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

(All amounts in ₹ crore unless otherwise stated)

S. No.	Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
	Revenue from operations			
i)	Interest income	25	5,797.32	5,112.58
ii)	Fees and commission income	26	736.46	592.05
iii)	Net gain on fair value changes on financial instruments	27	92.32	-
iv)	Other operating income	28	-	85.09
I)	**Total revenue from operations**		**6,626.10**	**5,789.72**
II)	Other income	29	3.93	5.47
III)	**Total income (I + II)**		**6,630.03**	**5,795.19**
	Expenses			
i)	Finance costs	30	1,863.32	1,653.64
ii)	Fees and commission expenses		527.16	429.87
iii)	Impairment on financial instruments (net)	31	1,295.36	1,127.05
iv)	Employee benefits expenses	32	1,135.58	1,200.78
v)	Depreciation and amortization expenses	14	46.20	27.39
vi)	Other expenses (IV)	33	736.97	594.52
IV)	**Total expenses (IV)**		**5,604.59**	**5,033.25**
V)	**Profit before exceptional items and tax (III-IV)**		**1,025.44**	**761.94**
VI)	Exceptional items		-	-
VII)	**Profit before tax (V-VI)**		**1,025.44**	**761.94**
VIII)	**Tax expense**	34		
	(1) Current tax		323.80	307.64
	(2) Deferred tax		(65.61)	(117.53)
IX)	**Profit for the year**		**767.25**	**571.83**
X)	**Other Comprehensive Income**	35		
A.	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plans		(10.64)	(9.72)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.68	2.46
	Subtotal (A)		**(7.96)**	**(7.26)**
B.	(i) Items that will be reclassified to profit or loss			
	- Fair value change on cash flow hedge		(8.89)	(17.95)
	- Fair value gain/(loss) on financial instruments through other comprehensive income		(0.62)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		2.39	4.52
	Subtotal (B)		**(7.12)**	**(13.42)**
	Other comprehensive income (A+B)		**(15.08)**	**(20.69)**
XI)	**Total comprehensive income for the year (Comprising Profit/(Loss) and other comprehensive income for the year)**		**752.17**	**551.14**
XII)	Earnings per equity share (Face value of ₹ 10/- each)	36		
	Basic (₹)		30.36	23.90
	Diluted (₹)		30.36	23.90
See accompanying notes to the standalone financial statements				
Material accounting policies forming part of standalone financial statements		3		
Additional notes forming part of standalone financial statements		44		

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

Place : Chennai
Date : 28th April 2025

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Cash flows from operating activities		
Profit before tax	1,025.44	761.94
Adjustment for:-		
Depreciation and amortization	46.20	27.39
Impairment of financial instruments	(56.00)	219.39
Profit on disposal of property, plant and equipment	(0.20)	(0.47)
Finance costs	1,863.32	1,653.64
Unwinding of discount on security deposits	(0.97)	(0.95)
Remeasurement of defined benefit plans	(10.64)	(9.72)
Share-based payment expenses	0.27	-
Cash outflow towards finance costs	(1,858.87)	(1,653.00)
Cash generated from operations before working capital changes	**(16.89)**	**236.28**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(36.21)	(55.22)
(Increase)/Decrease in Loans	(771.40)	(5,142.17)
(Increase)/Decrease in Other financial assets and other bank balances	(3.53)	(1.44)
(Increase)/Decrease in Other non-financial sssets	5.49	(14.79)
Increase/(Decrease) in Trade payables	42.06	413.58
Increase/(Decrease) in Other financial liabilities	(153.35)	99.49
Increase/(Decrease) in Provisions and other non-financial liabilities	(17.98)	36.38
Net cash used in operating activities before income tax	**73.63**	**(3,665.95)**
Income taxes paid (net of refund)	(315.03)	(337.04)
Net cash used in operating activities (I)	**(241.40)**	**(4,002.99)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(34.12)	(26.89)
Proceeds from sale of Property, plant and equipment	0.23	0.57
Investment in Capital work-in-progress	0.33	(2.32)
Investment in Intangible assets under development	(7.78)	(2.01)
Investment in Government securities	(188.66)	(93.46)
Investment in Compulsory convertible debentures	-	(0.25)
Investment in Alternate investment fund	(2.00)	(4.00)
Net cash used in investing activities (II)	**(232.00)**	**(128.36)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	330.00	-
Proceeds from issue of Compulsorily convertible preference shares	-	558.00
Proceeds from Issue/(Repayment) of Debt securities (net)	1,114.40	(1,147.81)
Proceeds/(Repayment) of Borrowings other than debt securities (net)	834.47	4,538.80
Proceeds/(Repayment) of Subordinated liabilities (net)	56.35	413.89
Payments of Lease liabilities	(24.33)	(10.66)
Net cash generated from financing activities (III)	**2,310.89**	**4,352.22**
Net increase/(decrease) in cash and cash equivalents	**1,837.49**	**220.87**
Cash and cash equivalents at the beginning of the year	1,745.88	1,525.01
Cash and cash equivalents at the end of the year	**3,583.37**	**1,745.88**

Components of cash and cash equivalents for the purpose of Statement of Cash Flows:

Description	As at 31st March 2025	As at 31st March 2024
Cash and cash equivalents as per Balance Sheet	3,583.40	1,745.97
Less: Overdrafts utilised (Grouped under Borrowings (other than debt securities) - Note 18)	0.03	0.09
Cash and cash Equivalents for the purpose of Statement of Cash Flows	**3,583.37**	**1,745.88**

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

I) Equity share capital

	Notes	Amounts
Balance as at 1st April 2023		**228.22**
Changes in equity share capital during the year	23	-
Balance as at 31st March 2024		**228.22**
Changes in equity share capital during the year	23	8.05
Balance as at 31st March 2025		**236.27**

II) Instruments entirely equity in nature

	Notes	Amounts
Balance as at 1st April 2023		**-**
Changes in equity share capital during the year	23	18.38
Balance as at 31st March 2024		**18.38**
Changes in equity share capital during the year	23	-
Balance as at 31st March 2025		**18.38**

III) Other equity

		Reserves and surplus					
	Notes	Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Other reserves - Hedging reserve	Total
Balance as at 1st April 2023		**1,336.35**	**242.03**	**-**	**932.20**	**19.31**	**2,529.89**
Profit for the year	24	-	-	-	571.83	-	571.83
Other comprehensive income	24	-	-	-	(7.26)	(13.42)	(20.68)
Transaction in the capacity as owners							
Transfer to Statutory reserve	24	-	114.37	-	(114.37)	-	-
Issuance of equity shares	24	537.84	-	-	-	-	537.84
Balance as at 31st March 2024		**1,874.19**	**356.40**	**-**	**1,382.40**	**5.89**	**3,618.88**
Profit for the year	24	-	-	-	767.25	-	767.25
Other comprehensive income	24	-	-	-	(7.96)	(7.12)	(15.08)
Transaction in the capacity as owners							
Transfer to Statutory reserve	24	-	153.45	-	(153.45)	-	-
Issuance of equity shares	24	321.95	-	-	-	-	321.95
Share-based payment expenses	24	-	-	0.27	-	-	0.27
Balance as at 31st March 2025		**2,196.14**	**509.85**	**0.27**	**1,988.24**	**(1.23)**	**4,693.27**

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

Place : Chennai
Date : 28th April 2025

(All amounts in ₹ crore unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Company') (CIN U65920TN2008PLC069758) is a public limited company incorporated and domiciled in India. The registered office is located at "Chaitanya", No. 12 Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India. The Company is a subsidiary of TVS Motor Company Limited.

The Company received Certificate of Registration (No. N-07-00783) dated 13th April, 2010 from Reserve Bank of India (RBI) and commenced Non-Banking financial activity there on. The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Company is engaged in providing automobile finance, Consumer Durable Loans and Small Business Loans . The Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" vide RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22nd February, 2019. Effective 1st October, 2022, the Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation dated 22nd October, 2021.

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time and other applicable RBI circulars/notifications, notification for Implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 ('RBI notification for Implementation of Ind AS') and other applicable RBI circulars/notifications.

The financial statements have been prepared in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October, 2018. Further, the Company follows application guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC) or other regulators, as and when they are issued and applicable.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on going concern basis based on the ability of the Company to continue its business for the foreseeable future and no material uncertainity exists that may cause significant doubt on the going concern assumption. In making this assessment, the Company has considered wide range of information relating to present & likely future conditions including projections of cash flows & profitability.

2.2 Presentation of financial statements

Financial assets and financial liabilities are generally reported on a gross basis in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Significant estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(All amounts in ₹ crore unless otherwise stated)

The areas involving critical estimates are:

(a) Business model assessment - Refer Note 3.5.1A

(b) Fair value of financial instruments - Refer Note 38

(c) Impairment of financial asset - Refer Note 39

(d) Provisions & Other Contingent Liabilities - Refer Note 21

(e) Estimation of defined benefit obligation - Refer Note 37

3 Material accounting policies

3.1 Property, plant and equipment (PPE)

Items of property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/ expenses in the Statement of Profit and Loss when the asset is derecognised.

3.2 Depreciation

Depreciation is provided on straight-line basis over the estimated useful lives of the assets. The useful life estimated by the Company is in line with the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 except in the case of mobile phone and tablet (Office equipment), on which depreciation is considered as 2 years based on the technical evaluation and leased vehicles (vehicles) have been depreciated over lease period.

Useful life as used by the Company and as indicated in Schedule II are listed below:

Nature of asset	Useful life as per Schedule II	Useful life adopted by the Company
Computers	3 years	3 years
Computer software	3 years	3 years
Furniture and fixtures	10 years	10 years
Leasehold improvements (Furniture and fixtures)	10 years	As per lease tenure
Office equipments	5 years	5 years
Office equipments (Mobile phones and tablet)	5 years	2 years
Vehicles(Motor cycle)	10 years	10 years
Vehicles (Motor car)	8 years	8 years

Depreciation on PPE individually costing ₹5,000/- or less is provided 100% in the year of acquisition.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss.

Depreciation on fixed assets added/disposed off during the year is calculated on pro-rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(All amounts in ₹ crore unless otherwise stated)

3.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

3.4 Intangible assets

Intangible assets acquired are recorded at their acquisition cost and are amortized on straight line basis over its useful life. Software is amortized over 3 years period or the license period whichever is lower on straight line basis.

3.5 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are measured at amortised cost, unless otherwise specified.

All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Company recognises the financial instruments on settlement date.

3.5.1 Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

3.5.1A Classification

The Company classifies its financial assets in the following categories, those to be measured subsequently at

(a) Amortized cost,

(b) Fair value through other comprehensive Income (FVTOCI), and

(c) Fair value through profit or loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because it reflects the best way the business is managed, and information is provided to the management.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

3.5.1B Measurement

At initial recognition, the Company measures financial assets, except those at FVTPL, at their fair value adjusted for transaction costs or origination income directly attributable to the acquisition. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

(All amounts in ₹ crore unless otherwise stated)

i. Debt instruments carried at amortized cost (AC):

(a) The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/or asset reconstruction companies without affecting the business model of the Company.

(b) After initial measurement, such financial assets are subsequently measured at amortised cost on effective interest rate (EIR). Refer note 3.5.5A for further details.

ii. Debt instruments at fair value through other comprehensive income (FVTOCI):

(a) A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

(b) Financial assets included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

iii. Debt instruments at fair value through profit or loss (FVTPL):

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss.

iv. Equity instruments at cost:

Investments in subsidiary and associate are measured at cost as per Ind AS 27 – Separate Financial Statements.

v. Equity instruments at fair value through other comprehensive income (FVTOCI):

Investments in equity instruments other than in subsidiaries and associates are measured at fair value.

The Company has strategic investments in equity for which it has elected to present subsequent changes in fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the aforesaid equity instruments are recognised in OCI and are not reclassified to the Statement of Profit and Loss subsequently, even on sale of those investments.

vi. Investment in Government securities:

Investment in Government securities are measured in the financial statements at amortised cost. The Company intends to hold these instruments till maturity and any sale of these instruments, if any necessitated by requirements or events are likely to be infrequent.

vii. Investment in Compulsory convertible debenture

Investment in Compulsory convertible debentures are classified and measured in the financial statements at fair value through other comprehensive income.

viii. Investment in Alternate investment fund

Investment in Alternate investment fund is classified and measured at fair value through other comprehensive income. Any gain/losses on disposal or subsequent re-measurement is recognised in the other comprehensive income.

3.5.2 Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments

(All amounts in ₹ crore unless otherwise stated)

3.5.2A Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

3.5.2B Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.5.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31st March 2025 and 31st March 2024.

3.5.4 Derecognition of financial assets & liabilities

i) Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

ii) Derecognition of financial assets other than due to substantial modification of terms and conditions

(a) A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss.

(b) The Company enters into securitisation transactions where financial assets are transferred to a special purpose vehicle for a purchase consideration. The credit enhancement is provided in the form of cash collateral and investment in equity tranche PTCs, pursuant to the transfer of financial assets under securitisation. Basis this, the Company concluded that securitisation transactions entered by the Company does not qualify for derecognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

iii) Derecognition of financial liabilities

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

3.5.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

A) Interest income:

(1) Interest income is recognized using the effective interest rate (EIR) method for all financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

(All amounts in ₹ crore unless otherwise stated)

(2) Income by way of additional interest on account of delayed payment by the customers is recognized on realization basis, due to uncertainty in collection.

(3) Interest on govt securities is recognised as interest income in profit & loss statement

B) Dividend income:

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

C) Fees and commission income:

(1) Fees and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligations are performed and there is no significant financing component of the consideration.

(2) Income in the nature of bounce and related charges are recognized on realization, due to uncertainty in collection.

(3) The Company recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

D) Other operating income:

The Company recognises proceeds from sale of written off & stressed financial asset.

E) Other income:

Other income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.5.6 Impairment of financial assets

The Company recognizes loss allowance for expected credit loss "ECL" on the following financial assets that are not measured at FVTPL:

i. Loans

ii. Trade receivables and other financial assets

i. Loans

Expected credit losses are measured through a loss allowance at an amount equal to:

1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

2) Lifetime expected credit losses (expected credit losses that result from all possible default events over the expected life of the financial instrument).

Both life time ECLs (LTECL) and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its loans into stage 1, stage 2 and stage 3, as described below:

Stage	Days Past due	ECL	Risk
Stage 1	Up to 30 days	12-month ECL	Low credit risk
Stage 2	31-90 days	Life-time ECL	Significant increase in credit risk
Stage 3	More than 90 days	Life-time ECL	Impaired assets

(All amounts in ₹ crore unless otherwise stated)

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3. (If completely regularised to zero DPD for stage 3)

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

Significant increase in credit risk: The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime ECLs rather than 12 month ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available with.

Stage 3: Credit-impaired financial assets: A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses

Loans considered credit impaired are the loans which are past due for more than 90 days and has not been completely regularised to zero DPD & includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019 irrespective of days past due on the reporting date. Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared. The Company records an allowance for life time ECL.

Measurement of ECLs

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of the ECL model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD.

Probability of default ('PD'):

PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default ('EAD'):

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

(All amounts in ₹ crore unless otherwise stated)

Loss given default ('LGD'):

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

Mechanics of ECLs

The Company applies a three-stage approach to measure ECL on financial assets that are not measured at fair value through profit or loss:

Stage 1: 12 month ECL

At initial recognition and for financial instruments where there has not been a significant increase in credit risk since initial recognition, the Company recognizes an allowance based on the 12-month ECL. The 12-month ECL represents the portion of lifetime ECL that result from default events that are possible within the 12 months after the reporting date. The Company calculates this allowance based on the expectation of a default occurring within 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecasted exposure at default (EAD) and multiplied by the expected loss given default (LGD).

Stage 2: Lifetime ECL-not credit impaired

When a financial asset shows a significant increase in credit risk since origination but is not considered credit-impaired, the Company records an allowance for lifetime ECL.

The mechanics are similar to stage 1 but the probability of default (PD) and LGD are estimated over the remaining lifetime of the instrument.

Stage 3: Lifetime ECL-credit impaired

For financial assets that are credit-impaired, the Company recognizes the lifetime ECL.

The methodology is similar to stage 2, but with the probability of default (PD) set at 100% to reflect that the asset is already credit impaired.

Forward looking information:

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

ii. Trade receivables and other financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Collateral repossessed:

The Company does the regular repossession of collateral provided against the loans in case of default in agreed payments. The Company generally sells the asset repossessed to recover the underlying loan and does not use for internal operation.Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as assets held for sale.

Write-off:

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(All amounts in ₹ crore unless otherwise stated)

3.5.7 Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates derivatives taken on external commercial borrowings (ECB) as cashflow hedges (hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions.

The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 38. Movements in the hedging reserve in shareholders' equity are shown in Note 24.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the "other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

3.5.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and positive balance in bank cash credit. Bank cash credit with negative balances are shown within borrowings in the balance sheet.

3.7 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(i) Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

(ii) Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

3.8 Employee benefits

(a) Short term employee benefits

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

(b) Long term employee benefits

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

(c) Post-employment obligation:

The Company operates the following post-employment schemes:

- Defined benefit plans such as gratuity for its eligible employees, pension plan for its senior managers; and
- Defined contribution plans such as provident fund.

(i) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Provident fund:

Contributions to Provident Fund made to Regional Provident Fund Commissioner in respect of Employees' Provident Fund based on the statutory provisions are charged to Statement of Profit and Loss on accrual basis.

(d) Share based payment

The Company operates an equity settled share-based payment arrangement for its employees. The Company determines the fair value of the employee stock options on the grant date using the Black Scholes model. The total cost of the share option is accounted for on a straight-line basis over the vesting period of the grant. The cost attributable to the services rendered by employees is recognised as employee benefits expenses in the Statement of Profit and Loss.

(e) Other employee benefits

The Company contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

3.9 Functional currency

3.9.1 Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e., in Indian rupees (INR) and all values are rounded off to nearest lakhs except where otherwise indicated.

3.9.2 Transactions and balances:

- Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

3.10 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred.

3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions of non-cash nature as permitted by Ind AS 7.

3.12 Earnings per share

In accordance with Ind AS 33 the basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

3.13 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.14 Lease

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Company as a lessee, assesses, whether the contract is, or contains a lease. A contract is, or contains a lease if the contract involves:–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset,

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments are discounted using the incremental borrowing rate.

For short-term leases and low value assets (assets of less than INR 500,000 in value) the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as Cash flow used in financing activities.

3.15 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

3.16 Provisions

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

3.17 Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liabilities. Show cause notices are not considered as contingent liabilities unless converted into demand.

3.18 Equity

Equity shares are classified as equity. Distributions to holders of an equity instrument are recognized by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

(All amounts in ₹ crore unless otherwise stated)

NOTE 4 Cash and cash equivalents

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Cash on hand*	0.33	4.91
b)	Balance with banks		
	- Current accounts	3,583.07	1,741.06
	Total	**3,583.40**	**1,745.97**

* Includes cash collected from borrowers as on Balance Sheet date subsequently deposited with bank.

NOTE 5 Bank balance other than cash and cash equivalents*

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Bank balance other than cash and cash equivalents	5.95	5.90
	Total	**5.95**	**5.90**

* Balance maintained in fixed deposits with original maturity more than 3 months as cash collateral towards cash credit (CC) facilities.

NOTE 6 Derivative financial instruments

S.No.	Description	As at 31st March 2025		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	300.13	-	2.24
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	300.13	-	2.24
	Total	**300.13**	**-**	**2.24**

S.No.	Description	As at 31st March 2024		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	751.50	90.67	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	751.50	90.67	-
	Total	**751.50**	**90.67**	**-**

The Company has a Board approved policy for entering into derivative transactions. Derivative transactions comprises of cross currency interest rate swaps (CCIRS). The Company undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee (ALCO) periodically monitors and reviews the risks involved.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Company has entered to hedge the variable interest rate and foreign exchange risks. Refer Note 39 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

NOTE 7 Trade receivables

S.No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured	153.94	118.95
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	-	-
	Total (A)	**153.94**	**118.95**
	Less: Allowance for impairment loss (B)	1.73	1.75
	Net (C) = (A-B)	**152.21**	**117.20**

There are no dues by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

(All amounts in ₹ crore unless otherwise stated)

NOTE 7 Trade receivables (Ageing schedule)

S.No.	Particulars	Outstanding for following periods from due date of payment as at 31st March 2025					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed trade receivables – considered good	152.21	1.60	0.13	-	-	153.94
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables–considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-
	Total (A)	**152.21**	**1.60**	**0.13**	**-**	**-**	**153.94**
	Less: Allowance for impairment loss (B)	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**152.21**	**-**	**-**	**-**	**-**	**152.21**

S.No.	Particulars	Outstanding for following periods from due date of payment as at 31st March 2024					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed trade receivables – considered good	118.95	-	-	-	-	118.95
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables–considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-
	Total (A)	**118.95**	**-**	**-**	**-**	**-**	**118.95**
	Less: Allowance for impairment loss (B)	1.75	-	-	-	-	1.75
	Net (C) = (A-B)	**117.20**	**-**	**-**	**-**	**-**	**117.20**

NOTE 8 Loans

S.No.	Description	As at 31st March 2025	As at 31st March 2024
		Amortised cost	
(A)	**Term loans**		
	i) Automobile financing	18,130.65	18,339.55
	ii) Consumer lending	8,428.23	7,384.29
	iii) Small business lending	620.54	682.47
	Total loans - Gross	**27,179.42**	**26,406.31**
	Less: Impairment loss allowance	880.58	936.07
	Total loans - Net	**26,298.84**	**25,470.24**
(B)	**Nature**		
a)	Secured by tangible assets	21,918.72	20,897.00
b)	Unsecured loans	5,260.70	5,509.31
c)	**Total loans - Gross (a) + (b)**	**27,179.42**	**26,406.31**
d)	Less: Impairment loss allowance	880.58	936.07
e)	**Total loans - Net (c) - (d)**	**26,298.84**	**25,470.24**

(All amounts in ₹ crore unless otherwise stated)

NOTE 8 Loans (Contd.)

S.No.	Description	As at 31st March 2025	As at 31st March 2024
i)	Loans in India		
	Public sector	-	-
	Others	27,179.42	26,406.31
	Total loans - Gross	**27,179.42**	**26,406.31**
	Less: Impairment loss allowance	880.58	936.07
	Total loans - Net	**26,298.84**	**25,470.24**
ii)	Loans outside India	-	-
iii)	**Total loans (i) + (ii)**	**26,298.84**	**25,470.24**

a. Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or equitable mortgage of property and / or equipment.

b. The stock of loan (automobile finance) includes 6,266 nos repossessed vehicles as at Balance Sheet date. (31st March 2024: 5,863 nos).

c. The term loans include loans given to related parties (refer note 42) and these loans which have been granted to related parties are specified with terms or period of repayment. These loans have been classified under stage 1 category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created.

d. There is no divergence in asset classification and provisioning in the financial statement in the previous year assessed by RBI.

e. Percentage (%) of gold loan to total assets as on 31st March 2025 is 0.07%. (31st March 2024: 0.00%)

f. Refer note 44 for additional disclosures.

NOTE 9 Investments

S.No.	Description	As at 31st March 2025	As at 31st March 2024
A	**At cost:**		
a)	**Investment in equity instruments of subsidiaries:**		
i)	TVS Housing Finance Private Limited (1,20,00,000 (31st March 2024: 1,20,00,000) shares of ₹ 10 each fully paid up)	12.00	12.00
ii)	Harita Two Wheeler Mall Private Ltd (2,500 (31st March 2024: 2,500) shares of ₹ 10 each fully paid up)	0.00	0.00
iii)	Harita ARC Private Limited (2,500 (31st March 2024: 2,500) shares of ₹ 10 each fully paid up)	0.00	0.00
B	**At amortised cost:**		
a)	**Investment in Government securities**	282.12	93.46
C	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative instrument fund:**		
	60,000 units of Eight Innovate fund II (31st March 2024: 40,000)	5.38	4.00
b)	**Investment in Compulsory convertible debentures:**		
	25 (31st March 2024 : 25) 0.001% compulsorily convertible debentures of ₹1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**299.75**	**109.71**
	(i) Investments outside India	-	-
	(ii) Investments in India	299.75	109.71
	Total	**299.75**	**109.71**
	Less: Allowance for impairment loss (B)	-	-
	Total - Net = (A) - (B)	**299.75**	**109.71**

(All amounts in ₹ crore unless otherwise stated)

NOTE 10 Other financial assets

S.No.	Description	As at 31st March 2025	As at 31st March 2024
	At amortised cost:		
a)	Employees related receivables	18.06	14.00
b)	Security deposit for leased premises	13.29	11.17
c)	Other financial assets - Related parties	0.03	0.02
d)	Other financial assets - Non related parties	5.34	6.04
e)	Deposit with service providers	2.12	2.66
	Total - Gross	**38.84**	**33.88**
	Less: Impairment loss allowance	10.56	8.84
	Total - Net	**28.28**	**25.05**

NOTE 11 Current tax assets (Net)

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Opening balance	19.80	(9.60)
b)	Add: Taxes paid	315.03	337.04
c)	Less: Taxes payable	(323.80)	(307.64)
	Total - Net	**11.03**	**19.80**

NOTE 12 Deferred tax assets/(liabilities)

The balance comprises temporary differences attributable to:

S.No.	Description	As at 31st March 2023	Charge/ (Credit) to profit and loss	Charge/ (Credit) to OCI	As at 31st March 2024	Charge/ (Credit) to profit and loss	Charge/ (Credit) to OCI	As at 31st March 2025
	Deferred tax assets/(liabilities) on account of :							
a)	Impairment allowance for financial instruments	175.16	48.82	-	223.98	16.90	-	240.88
b)	Difference between depreciation as per books of account and the Income Tax Act, 1961	4.84	0.04	-	4.88	1.44	-	6.32
c)	Provision for compensated absences and gratuity	11.81	1.13	2.27	15.21	(5.92)	2.48	11.77
d)	Provision for pension	2.46	0.18	0.19	2.83	0.20	0.20	3.23
e)	Expenses disallowed under Sec 40 (a) (ia)	22.50	24.16	-	46.66	16.87	-	63.53
f)	Impact of effective interest rate adjustment on financial assets	4.90	43.52	-	48.42	35.84	-	84.26
g)	Mark to market on derivatives	(6.50)	-	4.52	(1.98)	-	2.39	0.41
h)	Impact of effective interest rate adjustment on financial liabilities	(2.82)	(0.42)	-	(3.24)	(0.09)	-	(3.33)
i)	Impact of lease accounting as per Ind AS 116	1.10	0.10	-	1.20	0.37	-	1.57
	Total deferred tax assets/(liabilities)	**213.45**	**117.53**	**6.98**	**337.96**	**65.61**	**5.07**	**408.64**

(All amounts in ₹ crore unless otherwise stated)

NOTE 13 Investment property

Description	Land	Building	Total
As at 31st March 2025			
Gross carrying amount as at 1st April 2024	85.16	-	85.16
Additions	-	-	-
Sub-total	**85.16**	**-**	**85.16**
Disposals	-	-	-
Closing gross carrying amount (A)	**85.16**	**-**	**85.16**
Depreciation and amortisation			
Opening accumulated depreciation	-	-	-
Depreciation/amortisation charge for the year	-		-
Sub-total	**-**	**-**	**-**
Disposals	-	-	-
Closing accumulated depreciation and amortisation(B)	**-**	**-**	**-**
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**	**-**	**85.16**
Net carrying value as at 31st March 2024	**85.16**	**-**	**85.16**

Description	Land	Building	Total
As at 31st March 2024			
Gross carrying amount as at 1st April 2023	85.16	-	85.16
Additions	-	-	-
Sub-total	**85.16**	**-**	**85.16**
Disposals	-	-	-
Closing gross carrying amount (A)	**85.16**	**-**	**85.16**
Depreciation and amortisation			
Opening accumulated depreciation	-		-
Depreciation/amortisation charge for the year	-	-	-
Sub-total	**-**	**-**	**-**
Disposals	-	-	-
Closing accumulated depreciation and amortisation(B)	-	-	-
Net carrying value as at 31st March 2024 (A)-(B)	**85.16**	-	**85.16**

(i) Fair value

	As at 31st March 2025	As at 31st March 2024
Investment properties	422.11	411.15

a) The fair value of the investment property is based on the independent valuation obtained by the Company.

b) The title deed of the investment property is in the name of the Company.

(ii) Sensitivity analysis

Particulars	Valuation Technique	Significant unobservable inputs	Range (Weighted Avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
Investment property as at 31st March 2025	Professional valuer	Per/Acre	15,40,00,000 per acre	5%	15.40	21.11
Investment property as at 31st March 2024	Professional valuer	Per/Acre	15,00,00,000 per acre	5%	15.00	20.56

(All amounts in ₹ crore unless otherwise stated)

NOTE 14 (A) Property, plant and equipment and intangible assets

Description	Property, plant and equipment						Right-to-use Asset	Intangible assets (Computer software)
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Total		
As at 31st March 2025								
Gross carrying amount as at 1st April 2024	48.49	19.82	16.49	1.49	-	86.29	62.96	20.51
Additions and adjustments on account of modification	12.00	3.58	11.25	-	6.00	32.83	59.48	1.29
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-
Sub-total	**60.49**	**23.40**	**27.74**	**1.49**	**6.00**	**119.12**	**122.44**	**21.80**
Disposals	0.26	0.20	2.24	-	-	2.70	-	-
Closing gross carrying amount (A)	**60.23**	**23.20**	**25.50**	**1.49**	**6.00**	**116.42**	**122.44**	**21.80**
Depreciation and amortisation								
Opening accumulated depreciation	27.95	10.84	11.29	0.29	-	50.37	36.38	17.57
Depreciation/amortisation charge for the year	14.72	2.59	5.35	0.19	0.78	23.63	20.87	1.70
Sub-total	**42.67**	**13.43**	**16.64**	**0.48**	**0.78**	**74.00**	**57.25**	**19.27**
Disposals	0.25	0.19	2.22	-	-	2.66	-	-
Closing accumulated depreciation and amortisation (B)	**42.42**	**13.24**	**14.42**	**0.48**	**0.78**	**71.34**	**57.25**	**19.27**
Net carrying value as at 31st March 2025 (A)-(B)	**17.81**	**9.96**	**11.08**	**1.01**	**5.21**	**45.07**	**65.19**	**2.53**
Net carrying value as at 31st March 2024	**20.54**	**8.98**	**5.20**	**1.20**	**-**	**35.92**	**26.58**	**2.94**

Description	Property, plant and equipment						Right-to-use Asset	Intangible assets (Computer software)
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Total		
As at 31st March 2024								
Gross carrying amount as at 1st April 2023	43.10	13.26	15.45	1.49	-	73.30	56.86	18.37
Additions and adjustments on account of modification	14.05	7.52	3.19	-	-	24.75	6.10	2.14
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-
Sub-total	**57.15**	**20.78**	**18.64**	**1.49**	**-**	**98.05**	**62.96**	**20.51**
Disposals	8.66	0.96	2.15	-	-	11.77	-	-
Closing gross carrying amount (A)	**48.49**	**19.82**	**16.49**	**1.49**	**-**	**86.28**	**62.96**	**20.51**
Depreciation and amortisation								
Opening accumulated depreciation	23.32	9.77	10.87	0.10	-	44.06	28.13	16.42
Depreciation/amortisation charge for the year	13.27	1.97	2.56	0.19	-	17.99	8.25	1.15
Sub-total	**36.59**	**11.74**	**13.43**	**0.29**	**-**	**62.05**	**36.38**	**17.57**
Disposals	8.64	0.90	2.14	-	-	11.69	-	-
Closing accumulated depreciation and amortisation(B)	**27.95**	**10.84**	**11.29**	**0.29**	**-**	**50.36**	**36.38**	**17.57**
Net carrying value as at 31st March 2024 (A)-(B)	**20.54**	**8.98**	**5.20**	**1.20**	**-**	**35.92**	**26.58**	**2.94**

The Company follows cost model as per Ind AS 16 and the company has not revalued its PPE (including right-to-use asset).

There are no proceedings that have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1998 and rules made thereunder.

(All amounts in ₹ crore unless otherwise stated)

NOTE 14 (B) Capital work-in-progress and intangible assets under development

The Company discloses property, plant and equipment that are not ready for use as capital work-in-progress. These are carried at cost, comprising direct cost and related incidental expenses. Intangible assets not ready for their intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

Capital work-in-progress

Particulars	As at 31st March 2025	As at 31st March 2024
Opening balance	2.73	0.41
Additions	6.93	3.55
Deductions	7.26	1.23
Closing balance	**2.40**	**2.73**

Aging for capital work-in-progress

Particulars	As at	Amount in CWIP for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	31st March 2025	2.40	-	-	-	2.40
Projects in progress	31st March 2024	2.73	-	-	-	2.73

There are no projects temporarily suspended or projects whose completion is overdue or has exceeded its cost compared to its original plan.

Intangible assets under development

Particulars	As at 31st March 2025	As at 31st March 2024
Opening balance	3.18	1.17
Additions	8.32	5.70
Deductions	0.54	3.69
Closing balance	**10.96**	**3.18**

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	31st March 2025	8.04	2.92	-	-	10.96
Projects in progress	31st March 2024	3.18	-	-	-	3.18

There are no projects temporarily suspended or projects whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts in ₹ crore unless otherwise stated)

NOTE 15 Other non-financial assets

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Advances to dealers	0.17	0.31
b)	Prepaid expenses	33.00	22.43
c)	Vendor advances	12.92	28.04
d)	Balances with GST/ Service tax department	6.96	7.76
	Total	**53.05**	**58.54**

Impairment loss allowance recognised on other non-financial assets is Nil (31st March 2024: Nil).

NOTE 16 Trade payables

S.No.	Description	As at 31st March 2025	As at 31st March 2024
(a)	Total outstanding dues of micro enterprises and small enterprises	9.35	14.19
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,081.98	1,035.09
	Total	**1,091.33**	**1,049.28**

NOTE 16.1 Trade payables (Ageing schedule)

The following schedules reflect ageing of trade payables with respect to the date of transactions

S.No.	Descriptions	Outstanding for following periods from due date of payment as at 31st March 2025				
		<1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed dues – MSME*	9.35	-	-	-	9.35
(ii)	Undisputed dues – Others	1,081.81	0.09	0.08	-	1,081.98
(iii)	Disputed dues – MSME*	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-
	Total	**1,091.16**	**0.09**	**0.08**	**-**	**1,091.33**

S.No.	Descriptions	Outstanding for following periods from due date of payment as at 31st March 2024				
		<1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed dues – MSME*	14.19	-	-	-	14.19
(ii)	Undisputed dues – Others	1,034.99	0.10	-	-	1,035.09
(iii)	Disputed dues – MSME*	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-
	Total	**1,049.18**	**0.10**	**-**	**-**	**1,049.28**

* Dues to micro, medium and small enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

NOTE 16.2 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to micro, medium and small enterprises. Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

(All amounts in ₹ crore unless otherwise stated)

NOTE 16 Trade payables (Contd.)

Particulars	As at 31st March 2025	As at 31st March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period:		
- Principal	9.35	14.19
- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 17 Debt securities

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost		
Commercial paper (Unsecured)	-	-
Non-convertible debentures (Secured)	2,625.39	1,510.99
Total (A)	**2,625.39**	**1,510.99**
Debt securities in India	2,625.39	1,510.99
Debt securities outside India	-	-
Total (B)	**2,625.39**	**1,510.99**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost		
(a) Term loans (Secured)		
i) from banks	16,757.81	13,559.32
ii) from other parties	943.06	842.55
iii) External commercial borrowings	299.22	838.01
(b) Loans repayable on demand		
i) cash credit from banks (Secured)	0.03	0.09
ii) working capital demand loan (Secured)	1,792.35	3,376.84
iii) working capital demand loan (Unsecured)	-	426.96
Total (A)	**19,792.47**	**19,043.77**
Borrowings in India	19,493.25	18,205.76
Borrowings outside India	299.22	838.01
Total (B)	**19,792.47**	**19,043.77**

Period and amount of default: NIL (31st March 2024: NIL)

(All amounts in ₹ crore unless otherwise stated)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost - Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.57	103.57
(b) Other subordinated liabilities		
From banks	-	-
From others	2,165.74	2,109.39
Total (A)	**2,269.31**	**2,212.96**
Subordinated liabilities in India	2,269.31	2,212.96
Subordinated liabilities outside India	-	-
Total (B)	**2,269.31**	**2,212.96**

Period and amount of default: NIL (31st March 2024: NIL)

a. Refer Annexure for the terms of the debt securities, borrowings and subordinated liabilities.

b. The Company has utilised the borrowed funds for the purposes for which the fund is obtained.

c. The Company has not been declared willful defaulter by any bank, financial Institution or other lender.

d. There are no charges or satisfaction yet to be registered with ROC beyond the statutory time period.

e. There are no unhedged foreign currency exposures.

f. The Company has not breached any covenant of loan availed or debt securities issued.

g. Change in liabilities arising from financing activities

Particulars	As at 1st April 2024	Cash flows	Exchange differences	Other	As at 31st March 2025
Debt securities	1,510.99	1,100.00	-	14.40	2,625.39
Borrowings other than debt securities	19,043.77	821.98	(82.64)	9.36	19,792.47
Subordinated liabilities	2,212.96	50.00	-	6.34	2,269.31
Total	**22,767.72**	**1,971.98**	**(82.64)**	**30.10**	**24,687.17**

Particulars	As at 1st April 2023	Cash flows	Exchange differences	Other	As at 31st March 2024
Debt securities	2,658.80	(1,175.00)	-	27.19	1,510.99
Borrowings other than debt securities	14,568.48	4,537.97	(62.06)	(0.63)	19,043.77
Subordinated liabilities	1,798.27	400.38	-	14.33	2,212.96
Total	**19,025.55**	**3,763.35**	**(62.06)**	**40.89**	**22,767.72**

* (i) Other column represents the amortisation of processing fees and movement in interest accrued but not due

(ii) Liabilities represents debt securities,borrowings (Other than debt securities) and subordinated liabilities

(All amounts in ₹ crore unless otherwise stated)

Annexure

Terms of the debt securities, borrowings and subordinated liabilities as at 31st March 2025

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Debt securities								
Non Convertible Debentures	833.78	Secured	8.30%	2	2	Bullet	14-08-2025	12-09-2025
Non Convertible Debentures	237.83	Secured	8.15%	1	1	Bullet	26-06-2026	26-06-2026
Non Convertible Debentures	516.09	Secured	8.35%	2	2	Bullet	29-10-2026	29-10-2027
Non Convertible Debentures	534.75	Secured	8.25%	2	2	Bullet	31-12-2026	31-12-2027
Non Convertible Debentures	502.94	Secured	8.25%	3	3	Bullet	03-03-2027	03-03-2028
	2,625.39							
Loan repayable on demand	1,792.38	Secured	7.50% - 7.82%	Repayable on demand				
	1,792.38							
Term loan								
Bank	66.26	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	66.67	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	59.67	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	90.00	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	60.00	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	99.99	Secured	7.00%	10	2	Quarterly	30-04-2023	30-07-2025
Bank	99.38	Secured	7.95%	15	15	Quarterly	30-06-2025	31-12-2028
Bank	76.92	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	153.85	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	76.92	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	337.91	Secured	7.45%	39	33	Monthly	15-10-2024	15-12-2027
Bank	411.93	Secured	8.25%	11	9	Quarterly	01-10-2024	01-04-2027
Bank	206.28	Secured	8.35%	16	11	Quarterly	29-03-2024	29-12-2027
Bank	291.73	Secured	8.35%	12	10	Quarterly	30-12-2024	30-09-2027
Bank	124.95	Secured	8.35%	12	10	Quarterly	30-12-2024	30-09-2027
Bank	75.00	Secured	7.87%	6	3	Half Yearly	29-02-2024	31-08-2026
Bank	72.33	Secured	7.10%	16	10	Quarterly	27-12-2023	26-09-2027
Bank	62.84	Secured	7.25%	13	8	Quarterly	26-03-2024	27-03-2027
Bank	278.05	Secured	6.39%	10	9	Quarterly	30-03-2025	30-06-2027
Bank	219.44	Secured	6.39%	26	19	Monthly	30-06-2024	28-07-2026
Bank	232.19	Secured	6.71%	11	10	Quarterly	29-03-2025	29-09-2027
Bank	149.42	Secured	6.71%	27	22	Monthly	29-09-2024	30-01-2027

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	255.45	Secured	6.89%	13	11	Quarterly	30-12-2024	27-12-2027
Bank	178.58	Secured	6.89%	27	25	Monthly	30-12-2024	27-04-2027
Bank	351.96	Secured	6.60%	13	13	Quarterly	31-05-2025	29-05-2028
Bank	146.00	Secured	6.60%	31	30	Monthly	31-03-2025	27-09-2027
Bank	125.70	Secured	7.25%	12	3	Quarterly	23-03-2023	21-01-2026
Bank	27.19	Secured	7.60%	37	10	Monthly	02-02-2023	21-01-2026
Bank	20.13	Secured	7.75%	12	4	Quarterly	20-05-2023	21-03-2026
Bank	29.39	Secured	7.75%	37	12	Monthly	20-03-2023	21-03-2026
Bank	125.67	Secured	7.25%	12	4	Quarterly	30-06-2023	28-04-2026
Bank	317.88	Secured	7.10%	16	9	Quarterly	30-09-2023	29-06-2027
Bank	105.89	Secured	7.10%	16	9	Quarterly	30-09-2023	29-06-2027
Bank	241.35	Secured	7.10%	16	10	Quarterly	27-12-2023	26-09-2027
Bank	251.25	Secured	7.15%	13	8	Quarterly	29-02-2024	01-03-2027
Bank	13.64	Secured	5.60%	37	1	Monthly	30-04-2022	29-04-2025
Bank	81.61	Secured	6.35%	37	4	Monthly	29-07-2022	28-07-2025
Bank	249.99	Secured	8.00%	1	1	Bullet	29-09-2025	29-09-2025
Bank	249.96	Secured	8.00%	1	1	Bullet	30-06-2026	30-06-2026
Bank	299.92	Secured	8.10%	1	1	Bullet	26-09-2027	26-09-2027
Bank	100.70	Secured	8.40%	10	2	Quarterly	02-06-2023	02-09-2025
Bank	20.19	Secured	8.40%	10	2	Quarterly	29-06-2023	29-09-2025
Bank	80.83	Secured	8.40%	10	2	Quarterly	01-07-2023	01-10-2025
Bank	181.37	Secured	8.40%	10	9	Quarterly	29-03-2025	29-06-2027
Bank	503.44	Secured	8.30%	10	10	Quarterly	30-09-2025	30-12-2027
Bank	90.39	Secured	7.52%	10	6	Quarterly	29-04-2024	29-07-2026
Bank	60.27	Secured	7.52%	10	6	Quarterly	29-04-2024	29-07-2026
Bank	164.71	Secured	7.76%	11	9	Quarterly	26-11-2024	26-05-2027
Bank	175.76	Secured	7.65%	10	7	Quarterly	20-07-2024	20-10-2026
Bank	69.23	Secured	6.85%	13	9	Quarterly	30-06-2024	30-06-2027
Bank	262.50	Secured	7.72%	8	7	Quarterly	11-03-2025	08-12-2026
Bank	400.36	Secured	8.10%	1	1	Bullet	29-05-2026	29-05-2026
Bank	33.30	Secured	8.30%	12	8	Quarterly	30-06-2024	31-03-2027
Bank	100.00	Secured	8.30%	12	8	Quarterly	30-06-2024	31-03-2027
Bank	150.01	Secured	8.30%	10	7	Quarterly	30-09-2023	31-12-2025
Bank	249.97	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026
Bank	120.03	Secured	8.50%	10	6	Quarterly	30-04-2024	31-07-2026
Bank	50.01	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	100.02	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026
Bank	291.67	Secured	8.50%	12	7	Quarterly	29-02-2024	30-11-2026
Bank	416.68	Secured	8.50%	12	10	Quarterly	31-12-2024	30-09-2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	28-02-2025	30-11-2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	31-03-2025	31-12-2027
Bank	39.99	Secured	8.00%	10	2	Quarterly	30-06-2023	30-09-2025
Bank	90.02	Secured	8.05%	10	3	Quarterly	31-07-2023	31-10-2025
Bank	31.46	Secured	7.84%	8	1	Quarterly	20-07-2023	20-04-2025
Bank	167.72	Secured	7.84%	12	4	Quarterly	10-05-2023	10-02-2026
Bank	66.81	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	335.79	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	134.31	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	752.57	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	251.77	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	1,007.09	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	1,000.69	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	245.44	Secured	8.45%	11	9	Quarterly	26-12-2024	26-06-2027
Bank	272.79	Secured	8.45%	11	10	Quarterly	30-01-2025	30-07-2027
Bank	363.72	Secured	8.45%	11	10	Quarterly	28-02-2025	31-08-2027
Bank	500.02	Secured	8.05%	11	11	Quarterly	30-06-2025	31-12-2027
Bank	500.11	Secured	8.05%	11	11	Quarterly	30-09-2025	31-03-2028
Others	231.41	Secured	8.32%	43	33	Monthly	10-06-2024	10-12-2027
Others	334.87	Secured	8.07%	12	9	Quarterly	10-06-2024	10-03-2027
Others	376.78	Secured	7.78%	12	9	Quarterly	10-08-2024	10-05-2027
Bank-ECB	299.22	Secured	7.77%	1	1	Bullet	27-03-2028	27-03-2028
Total	**18,000.09**							
Subordinated liabilities								
Perpetual debt	103.57	Unsecured	11.50%	1	1	Bullet	25-11-2027	25-11-2027
Other subordinated liabilities:								
Others	154.27	Unsecured	9.40%	1	1	Bullet	10-06-2026	10-06-2026
Others	151.35	Unsecured	9.40%	1	1	Bullet	26-08-2026	26-08-2026
Others	101.91	Unsecured	8.85%	1	1	Bullet	02-06-2027	02-06-2027
Others	359.39	Unsecured	8.85%	1	1	Bullet	11-06-2027	11-06-2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18-01-2028	18-01-2028
Others	324.01	Unsecured	9.50%	1	1	Bullet	31-01-2028	31-01-2028

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Others	201.19	Unsecured	9.35%	1	1	Bullet	29-08-2028	29-08-2028
Others	512.31	Unsecured	9.30%	1	1	Bullet	27-06-2029	27-06-2029
Others	157.63	Unsecured	9.38%	1	1	Bullet	24-04-2030	24-04-2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01-07-2026	01-07-2026
Total	**2,165.74**							
Subordinated liabilities total	**2,269.31**							

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Debt securities								
Non Convertible Debentures	834.02	Secured	8.30%	2	2	Bullet	14-08-2025	12-09-2025
Non Convertible Debentures	439.05	Secured	8.15%	2	2	Bullet	19-09-2024	18-10-2024
Non Convertible Debentures	237.92	Secured	8.40%	1	1	Bullet	26-06-2026	26-06-2026
	1,510.99							
Loan repayable on demand	3,376.93	Secured	7.70% - 8.71%	Repayable on demand				
	426.96	Unsecured						
	3,803.89							
Term loan								
Bank	62.48	Secured	6.30%	8	2	Quarterly	31-12-2022	30-09-2024
Bank	124.99	Secured	6.30%	8	4	Quarterly	31-05-2023	28-02-2025
Bank	299.96	Secured	7.00%	10	6	Quarterly	30-04-2023	30-07-2025
Bank	489.04	Secured	7.59%	10	7	Quarterly	30-09-2023	31-12-2025
Bank	746.04	Secured	8.34%	15	14	Quarterly	31-03-2024	01-10-2027
Bank	99.22	Secured	7.70%	39	39	Monthly	31-07-2024	30-09-2027
Bank	499.91	Secured	8.25%	11	11	Quarterly	01-10-2024	01-04-2027
Bank	281.26	Secured	8.30%	16	15	Quarterly	29-03-2024	29-12-2027
Bank	125.01	Secured	7.94%	4	2	Quarterly	30-11-2023	31-08-2024
Bank	299.95	Secured	8.35%	14	14	Quarterly	31-08-2024	30-11-2027
Bank	200.14	Secured	7.00%	1	1	Bullet	27-10-2024	27-10-2024
Bank	400.32	Secured	8.10%	1	1	Bullet	29-05-2026	29-05-2026
Bank	124.99	Secured	8.26%	5	5	Half Yearly	29-02-2024	31-08-2026
Bank	42.03	Secured	7.75%	36	3	Monthly	25-07-2021	24-06-2024
Bank	83.94	Secured	7.50%	36	6	Monthly	28-10-2021	27-09-2024
Bank	63.02	Secured	8.27%	36	9	Monthly	31-01-2022	30-12-2024

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	176.46	Secured	5.60%	37	13	Monthly	30-04-2022	29-04-2025
Bank	326.12	Secured	6.35%	37	16	Monthly	29-07-2022	28-07-2025
Bank	293.14	Secured	7.25%	12	7	Quarterly	23-03-2023	21-01-2026
Bank	59.72	Secured	7.60%	37	22	Monthly	02-02-2023	21-01-2026
Bank	40.26	Secured	7.75%	12	8	Quarterly	20-05-2023	21-03-2026
Bank	58.77	Secured	7.75%	37	24	Monthly	20-03-2023	21-03-2026
Bank	251.06	Secured	7.25%	12	8	Quarterly	30-06-2023	28-04-2026
Bank	459.37	Secured	7.10%	16	13	Quarterly	30-09-2023	29-06-2027
Bank	152.58	Secured	7.10%	16	13	Quarterly	30-09-2023	29-06-2027
Bank	337.83	Secured	7.10%	16	14	Quarterly	27-12-2023	26-09-2027
Bank	101.29	Secured	7.54%	16	14	Quarterly	27-12-2023	26-09-2027
Bank	376.84	Secured	7.15%	16	15	Quarterly	29-02-2024	30-11-2027
Bank	94.23	Secured	7.15%	16	15	Quarterly	26-03-2024	27-12-2027
Bank	749.41	Secured	7.10%	13	13	Quarterly	30-12-2024	30-09-2026
Bank	249.95	Secured	8.25%	1	1	Bullet	29-09-2025	29-09-2025
Bank	249.90	Secured	8.25%	1	1	Bullet	30-06-2026	30-06-2026
Bank	60.48	Secured	8.50%	10	6	Quarterly	29-06-2023	29-09-2025
Bank	302.10	Secured	8.50%	10	6	Quarterly	01-07-2023	01-10-2025
Bank	241.73	Secured	8.50%	10	6	Quarterly	01-07-2023	01-10-2025
Bank	100.01	Secured	7.28%	10	5	Quarterly	31-01-2023	30-04-2025
Bank	249.96	Secured	8.08%	10	10	Quarterly	29-04-2024	29-07-2026
Bank	249.96	Secured	8.20%	10	10	Quarterly	20-07-2024	20-10-2026
Bank	99.99	Secured	7.10%	13	13	Quarterly	30-06-2024	30-06-2027
Bank	299.97	Secured	8.15%	8	8	Quarterly	11-03-2025	08-12-2026
Bank	119.96	Secured	8.03%	10	6	Quarterly	31-07-2023	31-10-2025
Bank	210.03	Secured	8.03%	10	7	Quarterly	31-07-2023	31-10-2025
Bank	349.99	Secured	8.65%	10	7	Quarterly	30-09-2023	30-12-2025
Bank	719.94	Secured	8.35%	10	9	Quarterly	31-03-2024	30-06-2026
Bank	200.03	Secured	8.35%	10	10	Quarterly	30-04-2024	31-07-2026
Bank	458.30	Secured	8.35%	12	11	Quarterly	29-02-2024	30-11-2026
Bank	49.94	Secured	8.30%	12	12	Quarterly	30-06-2024	31-03-2027
Bank	125.89	Secured	8.40%	8	4	Quarterly	23-06-2023	23-03-2025
Bank	157.44	Secured	8.40%	8	5	Quarterly	20-07-2023	20-04-2025
Bank	335.58	Secured	8.40%	12	8	Quarterly	10-05-2023	10-02-2026
Bank	1,006.73	Secured	8.25%	12	12	Quarterly	27-06-2024	27-03-2027
Bank	301.83	Secured	8.25%	1	1	Bullet	27-03-2025	27-03-2025

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Others	301.58	Secured	8.00%	43	43	Monthly	10-06-2024	10-12-2027
Others	500.97	Secured	8.25%	12	12	Quarterly	10-06-2024	10-03-2027
Others	40.23	Secured	7.85%	5	1	Quarterly	05-05-2023	30-04-2024
Bank-ECB	838.01	Secured	6.92%	1	1	Bullet	02-12-2024	02-12-2024
Total	**15,239.88**							
Subordinated liabilities								
Perpetual debt	103.57	Unsecured	11.50%	1	1	Bullet	25-11-2027	25-11-2027
Other subordinated liabilities:								
Others	101.75	Unsecured	10.90%	1	1	Bullet	07-08-2024	07-08-2024
Others	152.95	Unsecured	9.40%	1	1	Bullet	10-06-2026	10-06-2026
Others	150.26	Unsecured	9.40%	1	1	Bullet	26-08-2026	26-08-2026
Others	101.92	Unsecured	8.85%	1	1	Bullet	02-06-2027	02-06-2027
Others	359.56	Unsecured	8.85%	1	1	Bullet	11-06-2027	11-06-2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18-01-2028	18-01-2028
Others	324.79	Unsecured	9.50%	1	1	Bullet	31-01-2028	31-01-2028
Others	201.89	Unsecured	9.35%	1	1	Bullet	29-08-2028	29-08-2028
Others	512.57	Unsecured	9.30%	1	1	Bullet	27-06-2029	27-06-2029
Others	102.24	Unsecured	10.00%	1	1	Bullet	01-07-2026	01-07-2026
Total	**2,109.39**							
Subordinated liabilities total	**2,212.96**							

Details of security

i) Non convertible debentures of ₹ 2,625 crore inclusive of current and non-current dues (As at 31st March 2024 ₹ 1,511 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

ii) Term loan received from banks and other parties of ₹ 18,000 crore inclusive of current and non-current dues (As at 31st March 2024 ₹ 15,240 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

iii) Working capital demand loan and cash credit of ₹ 1,792 crore (As at 31st March 2024 ₹3,377 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

(All amounts in ₹ crore unless otherwise stated)

NOTE 20 Other financial liabilities

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Employee related liabilities	134.41	166.04
b)	Security deposit	15.51	137.23
c)	Lease liability (refer note 41)	71.43	31.36
	Total	**221.35**	**334.63**

NOTE 21 Provisions

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Pension (refer note 37)	12.70	11.23
b)	Gratuity (refer note 37)	3.60	0.57
c)	Compensated absences (refer note 37)	43.28	55.79
	Total	**59.58**	**67.59**

NOTE 22 Other non-financial liabilities

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Statutory dues	42.87	52.84
	Total	**42.87**	**52.84**

NOTE 23 Equity share capital

a) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. Voting rights, dividend distributions and repayment of capital will be in proportion to the number of equity shares held.

b) Terms/Rights attached to Compulsory convertible preference shares

The Company has only one class of compulsory convertible preference shares having a par value of ₹ 10 per share which shall convert into one equity share as laid out in the agreement . Upon conversion into equity shares, the shareholder shall be entitled to participate in the dividend on equity shares on pari passu basis along with holders of other equity shares.

S.No.	Description	As at 31st March 2025	As at 31st March 2024
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2024 : 300,000,000) equity shares of ₹10 each	300.00	300.00
	20,000,000 (As at 31st March 2024 : 20,000,000) 0.001% Compulsorily convertible preference shares of ₹10 each	20.00	20.00
	Total	**320.00**	**320.00**
d)	**Issued, subscribed and paid-up:**		
	Equity share:		
	236,272,706 (As at 31st March 2024 : 228,223,926) equity shares of ₹10 each	236.27	228.22
	Total	**236.27**	**228.22**
	Instruments entirely equity in nature:		
	18,384,684 (As at 31st March 2024: 18,384,684) 0.001% Compulsorily convertible preference shares of ₹10 each	18.38	18.38
	Total	**18.38**	**18.38**

(All amounts in ₹ crore unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

e) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity share:

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	22,82,23,926	228.22	22,82,23,926	228.22
Add: Issued during the year*	80,48,780	8.05	-	-
At the end of the year	**23,62,72,706**	**236.27**	**22,82,23,926**	**228.22**

* On 28th June 2024, the Company through preferential issue on private placement basis allotted 80,48,780 equity shares to eligible buyers at a price of ₹410 per equity share of ₹10 face value (inclusive of premium of ₹400 per share) aggregating to approximately ₹330 crore.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,83,84,684	18.38	-	-
Add: Issued during the year	-	-	1,83,84,684	18.38
At the end of the year	**1,83,84,684**	**18.38**	**1,83,84,684**	**18.38**

f) Shares held by Holding companies:

Particulars	As at 31st March 2025	As at 31st March 2024
Equity shares:		
TVS Motor Company Limited	20,23,19,089	19,54,24,754
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	31,69,773	31,69,773

g) Number of shares held by share holders more than 5% of total shares as at the end of the year

Name of the shareholders	As at 31st March 2025		As at 31st March 2024	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares:				
TVS Motor Company Limited	20,23,19,089	85.63%	19,54,24,754	85.63%
PI Opportunities Fund I Scheme II	1,22,72,143	5.19%	1,14,03,378	5.00%
0.001% Compulsorily convertible preference shares:				
TVS Motor Company Limited	31,69,773	17.24%	31,69,773	17.24%
PI Opportunities Fund I Scheme II	1,52,14,911	82.76%	1,52,14,911	82.76%

h) Shares held by promoters at the end of year

Promoter Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	20,23,19,089	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	31,69,773	17.24%	0.00%

(All amounts in ₹ crore unless otherwise stated)

NOTE 24 Other equity

Description	As at 31st March 2025	As at 31st March 2024
a) Securities premium	2,196.14	1,874.19
b) Statutory reserves	509.85	356.40
c) Share based payment reserve	0.27	-
d) Retained earnings	1,988.24	1,382.40
e) Other reserves-Hedging reserve	(1.23)	5.89
Total reserves and surplus	**4,693.27**	**3,618.88**

Description	As at 31st March 2025	As at 31st March 2024
a) Securities premium		
Opening balance	1,874.19	1,336.35
Additions during the year	321.95	537.84
Closing balance	**2,196.14**	**1,874.19**

Description	As at 31st March 2025	As at 31st March 2024
b) Statutory reserves		
Opening balance	356.40	242.03
Transfer from retained earnings	153.45	114.37
Closing balance	**509.85**	**356.40**

Description	As at 31st March 2025	As at 31st March 2024
c) Share based payment reserve		
Opening balance	-	-
Transfer from retained earnings	0.27	-
Closing balance	**0.27**	**-**

Description	As at 31st March 2025	As at 31st March 2024
d) Retained earnings		
Opening balance	1,382.40	932.20
Net profit for the Year	767.25	571.83
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(7.96)	(7.26)
Transfer to statutory reserve	(153.45)	(114.37)
Closing balance	**1,988.24**	**1,382.40**

Description	As at 31st March 2025	As at 31st March 2024
e) Other reserves - Hedging reserve		
Opening balance	5.89	19.31
Add: Change in fair value of heding instruments, net off tax	(6.65)	(13.42)
Add: Fair value gain/(loss) on financial instruments through other comprehensive income	(0.47)	-
Closing balance	**(1.23)**	**5.89**

Securities premium

The reserve represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserves:

According to Section 45 - IC of the Reserve Bank of India Act, 1934, the Company transfers a sum not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before declaration of any dividend to the statutory reserves.

(All amounts in ₹ crore unless otherwise stated)

Retained earnings:

Represents Company's cumulative undistributed earnings since its inception. This is available for distribution to shareholders through dividends/capitalisation.

Share based payment reserve:

It is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for its employees.

Other reserve-Hedging reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

NOTE 25 Interest income

Description	Year ended 31st March 2025	Year ended 31st March 2024
On financial assets measured at amortised cost:		
Interest on loans	5,774.29	5,048.52
Interest on deposits with bank	16.24	64.01
Interest on Government securities	6.79	0.05
Total	**5,797.32**	**5,112.58**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Fee-based income	525.12	408.18
Service income	211.34	183.87
Total	**736.46**	**592.05**

NOTE 27 Net gain on fair value changes

Description	Year ended 31st March 2025	Year ended 31st March 2024
Net gain on fair value changes on FVTPL - Realised	92.32	-
Total	**92.32**	**-**

NOTE 28 Other operating income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Realisation on sale of written off and stressed loans	-	85.09
Total	**-**	**85.09**

NOTE 29 Other income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Unwinding of discount on security deposits and receivable for investments	0.97	0.95
Other non-operating income	0.44	3.88
Interest on income tax refund	2.52	0.64
Total	**3.93**	**5.47**

(All amounts in ₹ crore unless otherwise stated)

NOTE 30 Finance costs

Description	Year ended 31st March 2025	Year ended 31st March 2024
Interest expense on financial liabilities measured at amortised cost:		
- Interest on borrowings (other than debt securities)	1,476.13	1,253.76
- Interest on debt securities	169.54	216.98
- Interest on subordinated liabilities	203.74	172.23
Other interest expense:		
- Interest on lease liabilities	6.12	2.82
- Others	7.79	7.85
Total	**1,863.32**	**1,653.64**

NOTE 31 Impairment on financial instruments

Description	Year ended 31st March 2025	Year ended 31st March 2024
On financial instruments measured at amortised cost		
Bad debts written off (net)	940.98	633.57
Net loss on sale of repossessed assets	410.38	274.09
Impairment provision on loans	(57.20)	217.01
Impairment provision on trade receivables and other financial assets	1.20	2.38
Total	**1,295.36**	**1,127.05**

NOTE 32 Employee benefit expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Salaries and wages	1,019.56	1,051.73
Contribution to provident and other funds	56.86	53.91
Gratuity expenses (refer note 37)	6.87	5.10
Share based payments to employees	0.27	-
Staff welfare expenses	52.02	90.04
Total	**1,135.58**	**1,200.78**

NOTE 33 Other expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Rent, taxes and energy costs (Refer note 41d))	39.71	34.31
Repairs and maintenance	18.31	17.26
Communication costs	97.21	128.83
Printing and stationery	1.59	6.05
Travelling and conveyance	46.13	81.01
Directors sitting fees & commission expenses	1.03	0.81
Legal and professional charges	92.49	140.59
Insurance expenses	0.90	0.39
Information technology expenses	106.16	88.97
Manpower support expenses	274.49	49.45
Brand royalty fees	24.96	15.60
Auditors fees and expenses*	0.73	0.67
Corporate social responsibility **	10.00	10.00
Donation	20.00	13.70
Others	3.26	6.88
Total	**736.97**	**594.52**

(All amounts in ₹ crore unless otherwise stated)

*Auditors fees and expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Statutory audit	0.42	0.39
Limited review	0.13	0.12
Tax audit	0.08	0.08
Certification	0.05	0.04
Reimbursement of expenses	0.05	0.04
Auditors fees and expenses	**0.73**	**0.67**

** Expenditure incurred on corporate social responsibility activities:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(i) Amount required to be spent by the Company during the year	9.53	5.12
(ii) Amount of expenditure incurred	10.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities		
a. Expenses incurred through Trusts	10.00	10.00
Total	**10.00**	**10.00**

NOTE 34 Income tax expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
(a) Income tax expense:		
Current tax on profits for the year	323.80	307.64
Tax profits relating to prior period	-	-
Total current tax expense	**323.80**	**307.64**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(65.61)	(117.53)
(Decrease)/Increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(65.61)**	**(117.53)**
Income tax expense for the year	**258.19**	**190.11**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,025.44	761.94
Tax at the Indian tax rate of 25.168% (31st March 2024: 25.168%)	258.08	191.76
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	0.11	(1.65)
Income tax expense	**258.19**	**190.11**

(All amounts in ₹ crore unless otherwise stated)

NOTE 35 Other comprehensive income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	(10.64)	(9.72)
Income tax relating to these items	2.68	2.46
Items that will be reclassified to profit or loss		
Fair value change on cash flow hedge	(8.89)	(17.95)
Income tax relating to these items	2.24	4.52
Fair value gain/(loss) on financial instruments through other comprehensive income	(0.62)	-
Income tax relating to these items	0.16	-
Other comprehensive income	**(15.08)**	**(20.69)**

NOTE 36 Earnings per equity share (EPS)

Description	Year ended 31st March 2025	Year ended 31st March 2024
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Company	30.36	23.90
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Company	30.36	23.90
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share:		
Profit attributable to equity holders of the Company used in calculating basis earnings per share	767.25	571.83
Diluted earnings per share:		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	767.25	571.83
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,27,16,862	23,92,28,062
Effect of dilution:		
Employee stock options	2,782	-
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,27,19,644	23,92,28,062

(All amounts in ₹ crore unless otherwise stated)

NOTE 37 Employee benefit obligations

Defined benefit obligation

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund in India.

The Company operates defined benefit pension plan, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Particulars	Gratuity			Pension			Compensated Absences		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2023	**33.85**	**(36.16)**	**(2.31)**	**9.77**	**-**	**9.77**	**42.88**	**-**	**42.88**
Current service cost	5.38	-	5.38	-	-	-	-	-	-
Interest expense/(income)	2.54	(2.82)	(0.28)	0.74	-	0.74	3.28	-	3.28
Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-	0.18	-	0.18
Experience (gains)/losses	-	-	-	-	-	-	9.45	-	9.45
Total amount recognised in profit or loss	**7.92**	**(2.82)**	**5.10**	**0.74**	**-**	**0.74**	**12.91**	**-**	**12.91**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.74	0.74	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.16	-	0.16	0.22	-	0.22	-	-	-
Experience (gains)/losses	8.10	-	8.10	0.50	-	0.50	-	-	-
Total amount recognised in other comprehensive (income)/losses	**8.26**	**0.74**	**9.00**	**0.72**	**-**	**0.72**	-	-	-
Employer contributions	-	(11.22)	(11.22)	-	-	-	-	-	-
Benefit payments	(5.51)	5.51	-	-	-	-	-	-	-
As at 31st March 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**	**55.79**	**-**	**55.79**
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**	**55.79**	**-**	**55.79**
Current service cost	7.07	-	7.07	-	-	-	-	-	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	-	0.79	3.81	-	3.81
Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-	0.65	-	0.65
Experience (gains)/losses	-	-	-	-	-	-	(16.98)	-	(16.98)
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**	**(12.51)**	**-**	**(12.51)**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.44	0.44	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.76	-	0.76	0.84	-	0.84	-	-	-
Experience (gains)/losses	8.76	-	8.76	(0.16)	-	(0.16)	-	-	-
Total amount recognised in other comprehensive (income)/losses	**9.52**	**0.44**	**9.96**	**0.68**	**-**	**0.68**	-	-	-
Employer contributions		(13.80)	(13.80)	-	-	-	-	-	-
Benefit payments	(7.14)	7.14	-	-	-	-	-	-	-
As at 31st March 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**	**43.28**	**-**	**43.28**

(All amounts in ₹ crore unless otherwise stated)

NOTE 37 Employee benefit obligations (Contd.)

Details	Gratuity		Pension		Compensated Absences	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Discount rate	6.34%	6.95%	6.44%	6.95%	6.34%	6.95%
Salary growth rate	6.00%	6.00%	5.50%	5.50%	6.00%	6.00%
Attrition rate	36.00%	36.00%	0.00%	0.00%	36.00%	36.00%
Retirement age	58	58	60	60	58	58
Mortality inclusive of provision for disability	100% of Indian assured lives mortality (IALM)					

(i) Sensitivity analysis

FY 2024-25

Particulars	Gratuity			Pension			Compensated absences		
	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion
Discount rate	0.50%	56.42	57.76	1.00%	11.45	14.18	0.50%	42.83	43.74
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38	0.50%	43.73	42.82
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81	5.00%	43.28	43.28
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70	5.00%	43.29	43.26
₹10,00,000 benefit ceiling	-	55.33	-	-	-	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-	-	-	-

FY 2023-24

Particulars	Gratuity			Pension			Compensated absences		
	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion	Change in assump-tion	Due to increase in assump-tion	Due to decrease in assump-tion
Discount rate	0.50%	44.00	45.03	1.00%	10.07	12.62	0.50%	55.22	56.37
Salary growth rate	0.50%	45.02	44.00	1.00%	12.69	10.00	0.50%	56.37	55.22
Mortality	5.00%	44.51	44.51	5.00%	11.15	11.32	5.00%	55.79	55.79

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	35.56
Expected benefits for year 2	26.70
Expected benefits for year 3	19.94
Expected benefits for year 4	14.43
Expected benefits for year 5	10.54
Expected benefits for year 6 and above	24.16
Total	**131.33**

(iii) Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yield;

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings

(iv) Defined contribution plans:

The Company's contribution to defined contribution plan viz. provident fund and ESI, of ₹ 55.80 crore (As at 31st March 2024: ₹ 52.65 crore) has been recognised in the Statement of Profit and Loss.

(v) Category of plan assets

100% in insurer managed funds

(All amounts in ₹ crore unless otherwise stated)

NOTE 38 Fair value measurements

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

Financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy.

Particulars	Carrying amount		Fair value hierarchy	Fair value	
	31st March 2025	31st March 2024		31st March 2025	31st March 2024
Financial assets:					
Cash and cash equivalents	3,583.40	1,745.97	Level 3	3,583.40	1,745.97
Other bank balances	5.95	5.90	Level 3	5.95	5.90
Trade receivables	152.21	117.20	Level 3	152.21	117.20
Loans	26,298.84	25,470.24	Level 3	26,298.84	25,470.24
Investment in subsidiaries	12.01	12.01	Level 3	12.01	12.01
Investment in Government securities	282.12	93.46	Level 1	282.12	93.46
Investment in Compulsoury convertible debentures	0.25	0.25	Level 3	0.25	0.25
Other financial assets					
Employees related receivables	12.84	10.49	Level 3	12.84	10.49
Security deposit for leased premises	13.29	11.17	Level 3	13.29	11.17
Other financial assets - Related parties	0.03	0.02	Level 3	0.03	0.02
Other financial assets - Non related parties	-	0.71	Level 3	-	0.71
Deposit with service providers	2.12	2.65	Level 3	2.12	2.65
Total	**30,363.06**	**27,470.07**		**30,363.06**	**27,470.07**
Financial liabilities carried at amortised cost					
Trade payables	1,091.33	1,049.27	Level 3	1,091.33	1,049.27
Debt securities	2,625.39	1,510.99	Level 2	2,625.39	1,510.99
Borrowings other than debt securities	19,792.47	19,043.77	Level 3	19,792.47	19,043.77
Subordinated liabilities	2,269.31	2,212.96	Level 2	2,269.31	2,212.96
Other financial liabilities	221.35	334.63	Level 3	221.35	334.63
Total	**25,999.85**	**24,151.62**		**25,999.85**	**24,151.62**

Financial assets and financial liabilities measured at fair value:

Particulars	Fair value hierarchy	31st March 2025	31st March 2024
Financial assets			
Derivative financial instruments	Level 2	-	90.67
Investment in Alternate investment fund	Level 3	5.38	4.00
Investment in Compulsory convertible debentures	Level 3	0.25	0.25
Total financial assets		**5.63**	**94.92**
Financial liabilities			
Derivative financial instruments	Level 2	2.24	-
Total financial liabilities		2.24	-

There were no transfers between any levels during the year.

(All amounts in ₹ crore unless otherwise stated)

(i) Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to un-observable inputs (level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes publicly traded derivatives and mutual funds that have a quoted price. The quoted market price used for financial assets held by the company is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Company develops Level 3 inputs based on the best information available in the circumstances

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The Management assessed that cash and cash equivalents, bank balance other than cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments. The fair value of the investments have been considered as the carrying value of these investments since these investments have been made in the subsidiaries of the Company.
- The majority of borrowings are floating rate borrowings, the carrying value is representative of the fair value.
- The fair values for advance to related parties and rent advance were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The fair value of forward foreign exchange contracts and cross currency interest rate swaps (CCIRS) is determined using forward exchange rates at the balance sheet date.

NOTE 39 Financial risk management

The Company's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations. The Company's financial liabilities comprise mainly borrowings from banks, debentures and commercial papers.

The Company is exposed to various risks such as Credit risk, Liquidity risk , foreign currency risks and interest rate risks.

The Board of directors have the overall responsibility for the establishment of governance and oversight in relation to the Company's Risk management framework. The Board of directors have established committees such as the Risk Management Committee and Asset Liability Committee for developing and monitoring the Company's risk management policies and treasury policies. The Committees reports regularly to the Board of directors on its activities.

The Company's risk management policies are established to identify and analyse the various risks faced by the Company, to set appropriate risk benchmarks limits and controls and to monitor risks and adherence to limits from time to time. The Risk management committee oversees how management monitors compliance with the risk management policies and procedures and other governance framework and reviews the adequacy of the risk management framework in relation to the various risks faced by the Company from time to time.

(A) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Company monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Company does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of expected credit loss (ECL).

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents the gross carrying value of assets as on each reporting date.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

Particulars	31st March 2025	31st March 2024
Gross Carrying value of loans		
Stage 1 (Up to 30 days)	25,066.77	24,357.57
Stage 2 (31-90 days)#	1,329.68	1,305.94
Stage 3 (More than 90 days)*	782.97	742.80
Total Gross carrying value as of year end	**27,179.42**	**26,406.31**

Includes restructured contracts under one time resolution framework vide RBI circular dated August 6, 2020 and RBI/2 021- 22/31/DOR. STR.REC.11 /21.04.048/2021-22 dated 5th May, 2021 even though days past due is less than and equal to 30 days on the reporting date.

* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR. No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

Other financial assets

Credit risk with respect to other financial assets are extremely low except "Other financial assets-non related parties". Based on the credit assessment, the historical trend of low default is expected to continue. No provision for ECL has been created for other financial assets except full provision on "Other financial assets-non related parties".

Credit quality

The Company has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Company categories loan assets into stages based on the days past due status:

— Stage 1: Up to 30 days past due

— Stage 2: 31-90 days past due

— Stage 3: More than 90 days past due

Assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

— "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all loans.

Estimation technique

The Company has applied the following estimation technique in its ECL model :

— "Probability of default" (PD) is applied on stage 1 and stage 2 on portfolio basis and for stage 3 PD is 100%.

— Probability of default for stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.

— Probability of default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenure.

— Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.
The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

The Company uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

In accordance with the board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27th March, 2020 and 17th April, 2020 relating to 'COVID-19 – Regulatory Package', the Company has offered moratorium upto six months on the payment of installments falling due between 1st March, 2020 and 31st August, 2020 to all eligible borrowers. The Company has extended One-Time Resolution framework as for COVID-19-related Stress to eligible customers as per applicable RBI guidelines and as per the policy of the Company. The Company has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 in Stage 3 and with regard to restructured contracts done under one time resolution framework vide RBI circular dated 6th August, 2020 and RBI/2 021- 22/31/DOR.STR. REC.11 /21.04.048/2021-22 dated 5th May, 2021 in stage 2 irrespective of days past due status on the reporting date.

Definition of default

The Company considers a financial instrument is in default when the borrower becomes 90 days past due on its contractual payments. The Company considers loans under default as 'credit impaired' and classified as stage-3 except for restructured contracts as disclosed above.

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 24-25	Stage 1	Stage 2	Stage 3	Grand total
Gross carrying value	25,066.76	1,329.68	782.98	27,179.42
Allowance for ECL	210.70	244.71	425.17	880.58
ECL coverage ratio	0.84%	18.40%	54.30%	3.24%

FY 23-24	Stage 1	Stage 2	Stage 3	Grand total
Gross carrying value	24,357.57	1,305.94	742.80	26,406.31
Allowance for ECL	289.48	253.54	393.05	936.07
ECL coverage ratio	1.19%	19.41%	52.91%	3.54%

Reconciliation of expected credit loss

Particulars	Stage 1	Stage 2	Stage 3	Grand total
Balance as at 1st April 2024	**264.74**	**138.78**	**306.54**	**710.06**
Transfer from stage 1	(15.17)	8.74	6.43	-
Transfer from stage 2	13.19	(55.32)	42.13	-
Transfer from stage 3	8.78	4.45	(13.23)	-
Loans that have derecognised during the period	(39.36)	(48.00)	(116.07)	(203.43)
New loans originated during the year	114.54	59.15	49.21	222.90
Net remeasurement of loss allowance	(57.24)	145.74	118.04	206.54
Balance as at 31st March 2024	**289.48**	**253.54**	**393.05**	**936.07**
Transfer from stage 1	(19.06)	8.64	10.42	-
Transfer from stage 2	13.19	(117.14)	103.95	-
Transfer from stage 3	5.27	2.57	(7.84)	-
Loans that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.55)
New loans originated during the year	91.52	47.32	50.74	189.58
Net remeasurement of loss allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**

Concentration of credit risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

	31st March 2025	31st March 2024
Carrying value		
Concentration by geographical region in India		
South	11,173.70	10,636.43
West	6,927.67	7,256.11
East	4,736.87	4,252.84
North	4,341.18	4,260.93
Total loans as at reporting period	**27,179.42**	**26,406.31**

(B) Liquidity risk

Liquidity risk is a risk that an entity will encounter difficulty in meeting financial obligations.

As per Company's policy, management ensures availability of sufficient fund either through installment receivables/ sourcing through debts at each point of time. The fund requirement ascertain at the beginning of the period by taking into consideration installment receivable, likely disbursement, loan installment payment & other operational expenses. The Company is continuously getting good support from bankers & financial institutions at the time of need.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	31st March 2025	31st March 2024
Floating rate		
Expiring within one year	4,820	1,950
Expiring beyond one year	-	-
	4,820	**1,950**

(ii) Maturities of financial assets and liabilities:

The tables below analyse the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for:

a. All non-derivative financial liabilities and assets;

b. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The table below summaries the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments as at the balance sheet date.

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total carrying amount
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,583.40	-	-	-	-	3,583.40
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.13	75.44	-	-	152.21
Loans	6,920.21	4,872.60	7,383.26	14,009.22	3.83	33,189.12
Investments	-	-	300.00	-	17.63	317.63
Other financial assets	2.04	4.78	6.40	12.31	2.75	28.28
Total	**10,544.29**	**4,915.51**	**7,771.05**	**14,021.53**	**24.21**	**37,276.59**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,497.56	3,562.25	7,232.59	14,073.57	150.58	27,516.56
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	245.39	-	-	1,091.33
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	221.10
Total	**3,142.88**	**3,777.68**	**7,631.23**	**14,133.46**	**161.48**	**28,846.73**

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total carrying amount
As at 31st March 2024						
Financial assets:						
Cash and cash equivalents	1,745.97	-	-	-	-	1,745.97
Fixed deposits	-	-	5.90	-	-	5.90
Derivative financial instruments	-	-	90.67	-	-	90.67
Trade receivables	29.51	29.31	58.38	-	-	117.20
Loans	6,440.74	4,432.37	7,119.02	15,218.23	10.23	33,220.59
Investments	-	-	100.25	-	16.25	116.50
Other financial assets	3.09	1.88	7.60	12.48	-	25.05
Total	**8,219.31**	**4,463.56**	**7,381.82**	**15,230.71**	**26.48**	**35,321.88**
Financial liabilities:						
Borrowings	1,944.17	2,156.42	8,884.91	11,991.57	523.22	25,500.29
Security deposit	23.21	15.47	98.55	-	-	137.23
Trade payables	614.43	247.99	185.68	1.18	-	1,049.28
Other financial liabilities	4.02	2.45	168.74	17.16	11.82	204.19
Total non-derivative liabilities	**2,585.83**	**2,422.33**	**9,337.88**	**12,009.91**	**535.04**	**26,890.99**

The table below summaries the contractual maturity profile of carrying value of assets and liabilities:

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total carrying amount
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,583.40	-	-	-	-	3,583.40
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.13	75.44	-	-	152.21
Loans	5,994.70	3,796.80	5,793.35	11,591.81	2.76	27,179.42
Investments	-	-	282.12	-	17.63	299.75
Other financial assets	2.04	4.78	6.40	12.31	2.75	28.28
Total	**9,618.78**	**3,839.71**	**6,163.26**	**11,604.12**	**23.14**	**31,249.01**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,034.39	3,152.20	6,577.72	12,772.86	150.00	24,687.17
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	245.39	-	-	1,091.33
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,973.71**	**12,823.85**	**159.85**	**26,002.09**

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total carrying amount
As at 31st March 2024						
Cash and cash equivalents	1,745.97	-	-	-	-	1,745.97
Fixed deposits	-	-	5.90	-	-	5.90
Derivative financial instruments	-	-	90.67	-	-	90.67
Trade receivables	29.51	29.31	58.38	-	-	117.20
Loans	5,229.47	3,333.03	5,339.72	12,495.10	8.99	26,406.31
Investments	-	-	93.46	-	16.25	109.71
Other financial assets	3.09	1.88	7.60	12.48	-	25.05
Total	**7,008.04**	**3,364.22**	**5,595.73**	**12,507.58**	**25.24**	**28,500.81**
Financial liabilities:						
Borrowings	1,596.16	1,779.51	8,090.76	10,801.26	500.03	22,767.72
Security deposit	23.21	15.47	98.55	-	-	137.23
Trade payables	614.43	247.99	185.68	1.18	-	1,049.28
Other financial liabilities	3.42	1.85	167.50	13.48	11.15	197.40
Total non-derivative liabilities	**2,237.22**	**2,044.82**	**8,542.49**	**10,815.92**	**511.18**	**24,151.63**

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

(a) Foreign currency risk exposure:

Foreign exchange risk arises on financial instruments being denominated in a currency that is not the functional currency of the entity. The Company is exposed to foreign exchange risk due to continuous fluctuation in the foreign currency(USD) of the loan originated. The Company has entered into cross currency swaps (CCS) /forward contracts/ Interest rate swap to fully hedge all foreign currency exchange risk on the principal and interest amount payable on borrowings.

Particulars	31st March 2025	31st March 2024
Financial liabilities		
Variable Foreign Currency Borrowings (USD 35 million) (Year ended 31st March 2024 : USD 100 million)	300.13	751.50
Derivative liabilities		
Hedged through forward contracts and CCS	300.13	751.50
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis:

The Company has hedged all its foreign currency exposures by entering into CCS/ forwards contracts, hence it shall not be subjected to any sensitivity on settlement due to foreign currency fluctuation due to the movements in foreign exchanges i.e. USD. Forward contract & cross current swap are to buy USD for hedging foreign currency loan.

Impact on Profit After Tax		
USD sensitivity	**31st March 2025**	**31st March 2024**
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(c) Fair value interest rate risk:

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During year ended 31st March 2025 and 31st March 2024, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's floating rate borrowings are carried at amortised cost. For NBFC business, loan is the major source for running the business. In India, loans are generally available at floating rate interest and there are no such option available to obtain swap option for floating rate interest linked to respective bank MCLR with fixed interest. Hence except foreign currency loans, other loans are not hedged.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2025	31st March 2024
Variable rate borrowings	17,493.01	13,871.00
Total borrowings	**24,687.17**	**22,767.72**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

Particulars	31st March 2024		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	8.15%	13,871.00	61.41%

An analysis by maturities is provided in note 39 B (ii) above.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Impact on profit after tax		
Particulars	**31st March 2025**	**31st March 2024**
Interest rates – increase by 50 basis points (50 bps) *	(65.45)	(51.90)
Interest rates – decrease by 50 basis points (50 bps) *	65.45	51.90

* Holding all other variables constant

NOTE 40 Capital management

(a) Risk management

The Risk Management policy includes identification of element of risks, including those which in the opinion of Board may lead to Company not meeting its financial objectives. The risk management process has been established across the Company and design to identify, access & frame a response to threat that affect the achievement of its objectives. Further it is embedded across all the major functions and revolve around the goals and objectives of the Company.

Maintaining optimal capital to debt is one such measure to ensure healthy returns to the shareholders. Company envisages maintaining gearing ratio of maximum 7 times to the total equity, the Company monitors the ratio as below:

Particulars	31st March 2025	31st March 2024
Net debt (total borrowings, less cash and cash equivalents)	21,103.76	21,021.76
Total equity (as shown in the balance sheet)	4,947.92	3,865.48
Net debt to equity ratio	**4.27**	**5.44**

(b) Externally imposed capital restrictions

1) As per RBI requirements Capital Adequacy Ratio should be minimum 15%, not meeting RBI requirements will lead to cancellation of NBFC licenses issued by RBI. (Refer Note 44 17.2 A)

2) As per various lending arrangements with banks, TOL (Total Outside Liability) to TNW (Tangible Net Worth) ratio should be less than 8.5 times, not meeting the said requirements may lead to higher interest rates.

3) Shareholding of the promoter shall not be less than 51% without prior approval from lenders.

The Company has complied with these covenants throughout the reporting period.

(All amounts in ₹ crore unless otherwise stated)

NOTE 41 Leases

a) Lease disclosures pertaining to right-to-use asset

Particulars	31st March 2025	31st March 2024
Opening balance	26.58	28.73
Add: Adjustments on account of modification	35.95	-
Add: Additions during the year	23.53	6.10
Less: Deletions during the year	-	-
Less: Depreciation during the year	(20.87)	(8.25)
Closing balance	**65.19**	**26.58**

b) Lease liability movement

Particulars	31st March 2025	31st March 2024
Opening balance	31.36	33.11
Add: Adjustments on account of modification	34.72	-
Add: Additions during the year	23.53	6.10
Add: Interest accrued during the year	6.12	2.82
Less: Interest paid during the year	(6.12)	(2.82)
Less: Deletions during the year	-	-
Less: Prinicpal repayment during the year	(18.20)	(7.84)
Closing balance	**71.41**	**31.36**

c) The Company has offices across the country with varied lease period. The lease term considered for arriving at the right to use asset and lease liabilities are based on the non-cancellable period of the respective agreements.

d) The Company has exercised the option of short term leases and low value asset exemption.

e) Lease disclosures pertaining to Statement of Profit and Loss

Particulars	31st March 2025	31st March 2024
Finance charges		
Interest expense	6.12	2.82
Depreciation		
Amortisation of right to use assets	20.87	8.25
Other expenses		
Rent expenses		
Expense relating to short-term leases (included in other expenses)	6.68	17.70
Expense relating to leases of low-value assets that are not short-term leases (included in other expenses)	-	-
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Total	**33.67**	**28.77**

f) Additional disclosures in cash flow statement

Particulars	31st March 2025	31st March 2024
Cash flow financing activities		
Principal repayments related to lease liabilities	18.20	7.84
Interest payments related to lease liabilities	6.12	2.82

g) Contractual maturities of lease liabilities outstanding

Particulars	31st March 2025	31st March 2024
Less than one year	19.07	9.12
One to five years	42.49	17.16
More than five years	9.85	5.08
Total	**71.41**	**31.36**

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure

Disclosure in respect of related parties and their relationship where transaction exists:

Nature of relationship	Parties name
Reporting enterprise	TVS Credit Services Limited
Holding company	TVS Motor Company Limited
Ultimate holding company	TVS Holdings Limited
Subsidiaries	TVS Housing Finance Private Limited Harita ARC Private Limited Harita Two Wheeler Mall Private Limited
Fellow subsidiary	TVS Motor Services Limited Sundaram Auto Components Limited TVS Digital Pte Limited TVS Digital Limited (with effect from 16th September 2024) Drive X Mobility Millennial Solutions Private Limited (ceased to be associate of holding company and became fellow subsidiary with effect from 23rd December, 2024)
Enterprise under common control	Sundaram-Clayton Limited Srinivasan Services Trust
Associate of holding company	Scienaptic Systems Private Limited (upto 27th December 2024) TVS Training And Services Ltd
Non-executive directors	Mr. Venu Srinivasan Mr. Sudarshan Venu Mr. K.N. Radhakrishnan Mr. Sanjiv Chadha (with effect from 22nd November 2024)
Independent directors	Mr. R. Gopalan Mr. B. Sriram Ms. Kalpana Unadkat Ms. Deepali Pant Joshi (with effect from 6th August 2024) Mr. T. C. Suseel Kumar (with effect from 6th August 2024)
Director and CEO	Mr. Ashish Sapra, Director and Chief Executive Officer (Directorship with effect from 22nd November 2024)
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer Mr. Sreejith P, Company Secretary (upto 20th January, 2025) Mr. Chetan Nage, Company Secretary (with effect from 27th January 2025)

Transactions with related parties and balance outstanding as at the end of the year:

S.No.	Name of the related party	Nature of Transactions	31st March 2025	31st March 2024
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	282.67	-
		Contribution towards Issuance of compulsory convertible preference share	-	200.00
		Receipt of subvention income	10.11	1.35
		Reimbursement of IT expense	2.46	6.40
		Payment towards business support service	3.70	1.58
		Balance outstanding [Dr/(Cr)]	(0.94)	(6.45)

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

S.No.	Name of the related party	Nature of Transactions	31st March 2025	31st March 2024
2	TVS Holdings Limited	Payment towards brand royalty fees	22.87	15.55
		Payment towards business support service	2.82	2.88
		Balance outstanding [Dr/(Cr)]	(0.72)	(6.61)
3	TVS Housing Finance Private Limited	Reimbursement of expenses	0.17	0.14
		Balance outstanding [Dr/(Cr)]	-	-
4	Harita ARC Private Limited**	Pre-operative expenses	0.00	0.00
		Balance outstanding [Dr/(Cr)]	0.02	0.01
5	Harita Two Wheeler Mall Private Limited**	Pre-operative expenses	0.00	0.00
		Balance outstanding [Dr/(Cr)]	0.02	0.01
6	TVS Digital Pte. Limited	Payment towards software license fees	1.97	2.55
		Payment towards digital advertisement	-	0.06
		Payment towards business support service	0.01	-
		Balance outstanding [Dr/(Cr)]	(0.18)	(0.75)
7	TVS Digital Ltd	Payment towards business support service	0.36	-
		Balance outstanding [Dr/(Cr)]	(0.16)	-
8	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	7.87	29.34
		Balance outstanding [Dr/(Cr)]	-	-
9	Sundaram Clayton Limited	Payment towards business support service	1.27	0.31
		Balance outstanding [Dr/(Cr)]	(0.18)	(0.17)
10	Srinivasan Services Trust	Contribution towards corporate social responsibility	10.00	10.00
		Balance outstanding [Dr/(Cr)]	-	-
11	Scienaptic Systems Private Limited	Payment towards business support service	0.89	0.68
		Balance outstanding [Dr/(Cr)]	(0.17)	-
12	TVS Training and Services Limited	Interest on loan received	0.02	0.02
		Loan recovered	0.06	0.05
		Disbursal of loan	-	0.13
		Balance outstanding [Dr/(Cr)]	0.12	0.18

Remuneration to Key Managerial Personnel*

Particulars	2024-25	2023-24
Short term benefits	8.69	6.60
Post retirement benefits	0.28	0.23
Share based payment	0.27	-

*Remuneration to Key Managerial Personnel excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the Company as a whole.

The Company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties , either severally or jointly with any other person, which are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Directors' sitting fees and commission

Sl. No.	Name of the Director	Nature	2024-25	2023-24
1	Mr. Venu Srinivasan	Sitting fees*	0.00	0.01
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.02
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.05	0.02
		Commission	0.20	0.20
4	Mr. R.Gopalan	Sitting fees	0.03	0.02
		Commission	0.20	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.04	0.02
		Commission	0.20	0.20
6	Mr. V Srinivasa Rangan	Sitting fees	-	0.01
		Commission	-	0.12
7	Ms. Deepali Pant Joshi	Sitting fees	0.01	-
		Commission	0.13	-
8	Mr. T.C. Suseel Kumar	Sitting fees	0.01	-
		Commission	0.13	-
TOTAL			**1.03**	**0.81**

1. * The sitting fees paid during year ended 31st March 2025 are below the rounding off norms of the company.
2. Transaction values are excluding taxes and duties

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Related party disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106DoR.FIN.REC.No.45/03.10.119/2023-24:

Related party balance outstanding:

Related party items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances:																
Outstanding at the year end	-	-	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
Maximum outstanding during the year	-	-	-	-	0.18	0.22	-	-	-	-	-	-	-	-	0.18	0.22
Investments:																
Outstanding at the year end	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Maximum outstanding during the year	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Related party transactions during the year:

Related party items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Contribution towards issuance of equity shares	282.67	-	-	-	-	-	-	-	-	-	-	-	-	-	282.67	-
Contribution towards Issuance of compulsory convertible preference share	-	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00
Receipt of subvention income	10.11	1.35	-	-	-	-	-	-	-	-	-	-	-	-	10.11	1.35
Reimbursement of IT expense	2.46	6.40	-	-	-	-	-	-	-	-	-	-	-	-	2.46	6.40
Payment towards business support service	6.52	4.46	-	-	0.89	0.68	1.27	0.31	-	-	-	-	0.36	-	9.04	5.45
Payment towards brand royalty fees	22.87	15.55	-	-	-	-	-	-	-	-	-	-	-	-	22.87	15.55
Reimbursement of expenses	-	-	0.17	0.14	-	-	-	-	-	-	-	-	-	-	0.17	0.14
Pre-operative expenses	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	-	-	1.97	2.55	1.97	2.55
Payment towards digital advertisement	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-	0.06
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	-	-	7.87	29.34	7.87	29.34
Contribution towards corporate social responsibility	-	-	-	-	-	-	10.00	10.00	-	-	-	-	-	-	10.00	10.00
Disbursal of loan	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13
Loan recovered	-	-	-	-	0.06	0.05	-	-	-	-	-	-	-	-	0.06	0.05
Interest on loan received	-	-	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crore unless otherwise stated)

43. Employee stock option plan

(A) Employee stock option plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the Company which are convertible to one equity share of the Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing stock compensation charge, is expensed over the vesting period.

Details of ESOP granted during the year is as follows:

Plan	No. of options granted	Grant date	No. of options outstanding	Vesting condition and vesting period	Exercise price (Rs.)	Weighted average fair value of the options at the grant date (Rs.)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	440.00	178.45

(B) Method used for accounting for share based payment plan

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise price	Expected volatality*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%

* Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price

For the year ended 31st March 2025, the Company has accounted expense of ₹0.27 crore as employee benefits expense (Note no. 32) on the aforementioned employee stock option plan (31st March 2024: Nil)

(C) Movement in ESOP

Particulars	As at 31st March 2025		As at 31st March 2024	
	No of options	Weighted average fair value of the options at the grant date (Rs per share)	No of options	Weighted average fair value of the options at the grant date (Rs per share)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,55,400	178.45	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,55,400	178.45	-	-
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2025 (In days)	As at 31st March 2024 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,321	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025

1. Capital commitments

Description	31st March 2025	31st March 2024
Estimated amount of contracts remaining to be executed on capital account not provided for	13.38	4.47

2. Other commitments

Description	31st March 2025	31st March 2024
Undrawn Loans sanctioned to borrowers	41.29	63.47

3. Contingent liabilities not provided for

Claims against the Company not acknowledged as debts

Description	31st March 2025	31st March 2024
Disputed Service Tax and GST demand inclusive of penalty (Pre-deposit of ₹ 0.63 crore)	10.65	9.46
Legal cases filed by borrowers against the Company	13.15	6.15

The Company's pending litigations comprise of claims against the Company and proceedings pending with statutory authorities. The future cash flows on the above items are determinable only on receipt of decisions/ judgments that are pending at various forums/authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

4. The gold loan auction for the Company during FY 24-25 was zero.

5. Pursuant to para 2 of general instructions for preparation of financial statements of a NBFC as mentioned in Division III of Schedule III of The Companies Act, 2013, the current and non-current classification has not been provided.

6. (a) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' for the Company since it is primarily engaged in the business of financing.

(b) The Company operates primarily within India and therefore there is no seperate reportable geographic statement.

(c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company's total revenue.

7. The Company has the process, whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, Company has reviewed and ensured that adequate provision as required under any law/ accounting standard for material foreseeable losses on such long-term contracts have been made in the books of accounts.

8. The Company has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

9. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

10. There have been no significant events after the reporting date that require disclosure in the financial statements.

11. Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

12. Disclosure of ratios:

S.No.	Particulars	31st March 2025	31st March 2024
a.	Current ratio	NA	NA
b.	Total borrowings	24,687.17	22,767.72
	Shareholder's equity	4,947.92	3,865.48
	Debt-equity ratio	4.99	5.89
	[Total borrowings/shareholder's equity]		
c.	Debt service coverage ratio	NA	NA
d.	Return on equity ratio	17.41%	17.27%
e.	Inventory turnover ratio	NA	NA
f.	Trade receivable turnover ratio	NA	NA
g.	Trade payable turnover ratio	NA	NA
h.	Net capital turnover ratio	NA	NA
i.	Net profit ratio	11.57%	9.87%
j.	Return on capital employed ratio	NA	NA
k.	Return on investment ratio	NA	NA
l.	Capital to risk-weighted assets ratio (CRAR) (Calculated as per RBI guidelines)	20.30%	18.59%
m.	Tier I CRAR (Calculated as per RBI guidelines)	15.84%	12.84%
n.	Tier II CRAR (Calculated as per RBI guidelines)*	4.46%	5.75%
o.	Liquidity Coverage Ratio (LCR) (Calculated as per RBI guidelines)#	288%	236%

* The Company has issued subordinated debenture of ₹150 crore during the year ended 31st March 2025
# Refer disclosure on Liquidity coverage ratio (Note 17.23 (vii))

Notes:

i. Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non-banking Financial Company registered with the Reserve Bank of India

ii. Return on Equity Ratio = Profit after tax/Average Networth

iii. Net profit ratio (%) = Profit after tax / Total income

13. No funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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.

14. No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

15. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

16. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.1 Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial company (as required in Scale Based Regulation vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24):

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2025	
	Liabilities		
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
A	Debentures	-	-
	- Secured	2,625.39	-
	- Unsecured (other than falling within the meaning of public deposits and including subordinated debt)	2,167.10	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	18,102.30	-
D	Inter-corporate loans and borrowings	-	-
E	Commercial paper	-	-
F	Other loans:	-	-
	i. Cash credit & WCDL	1,792.38	-
	ii. Securitized trust borrowing	-	-
	Total	**24,687.17**	**-**

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2024	
	Liabilities		
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
A	Debentures	-	-
	- Secured	1,510.99	-
	- Unsecured (other than falling within the meaning of public deposits and including subordinated debt)	2,110.72	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	15,342.12	-
D	Inter-corporate loans and borrowings	-	-
E	Commercial paper	-	-
F	Other loans:	-	-
	i. Cash credit & WCDL	3,803.89	-
	ii. Securitized trust borrowing	-	-
	Total	**22,767.72**	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

S.No.	Description	Amount outstanding as at 31st March 2025	Amount outstanding as at 31st March 2024
	Assets		
(2)	**Break-up of loans and advances including bills receivable (other than those included in (4) below) :**		
(a)	Secured	21,918.72	20,897.00
(b)	Unsecured considered good	5,260.70	5,509.31
(3)	**Break-up of leased assets and stock on hire and other assets counting towards AFC activities:**		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other Loan counting towards AFC activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	Total	**27,179.42**	**26,406.31**

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2025	
(4)	**Current Investments:**		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	282.12	93.46
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	Long-term Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2025	
	2. Unquoted:		
	(i) Shares: (a) Equity	12.00	12.00
	(b) Preference	-	-
	(ii) Debentures and Bonds	0.25	0.25
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Alternate investment fund)	5.38	4.00
	Total	**299.75**	**109.71**

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above			
	Category	Amount (Net of provisions for non-performing assets)		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	2.22	-	2.22
	(c) Other related parties	-	-	-
	2. Other than related parties	21,448.38	5,153.48	26,601.86
	Total	21,450.60	5,153.48	26,604.08

(6)	Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted)		
	Category	Market value/ Breakup of fair value of NAV	Book value (Net of provisions)
1	Related parties		
	(a) Subsidiaries	12.00	12.00
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2	Other than related parties	287.75	97.71
	Total	**299.75**	**109.71**

(7)	Other Information	Amount
(i)	Gross non-performing assets	
	(a) Related Parties	-
	(b) Other than related parties	1,338.63
(ii)	Net Non-performing assets	-
	(a) Related Parties	-
	(b) Other than related parties	763.29
(iii)	Assets acquired in satisfaction of debt	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.2 Disclosures required in terms of Scale Based Regulation vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24).

(A) Capital adequacy ratio

Description	2024-25	2023-24
Tier I capital	4,592.73	3,596.18
Tier II capital	1,293.60	1,611.84
Total capital	**5,886.33**	**5,208.02**
Total risk weighted assets	**28,986.83**	**28,013.47**
Amount of subordinated debt as Tier II capital (Discounted value)	1,089.60	1,329.40
Capital ratios		
Tier I capital as a percentage of total risk weighted assets (%)	15.84%	12.84%
Tier II capital as a percentage of total risk weighted assets (%)	4.46%	5.75%
Total (%)	**20.30%**	**18.59%**
Amount of perpetual debt raised and qualifying as Tier I capital during the year	-	-
Amount of subordinated debt raised and qualifying as Tier II capital during the year	150.00	500.00

(B) Investment

S.No.	Description	2024-25	2023-24
1.	**Value of investments**		
	i) Gross value of investments		
	a) In India	299.75	109.71
	b) Outside India	-	-
	ii) Provision for depreciation		
	a) In India	-	-
	b) Outside India	-	-
	iii) Net value of investments		
	a) In India	299.75	109.71
	b) Outside India	-	-
2.	**Movement of provisions held towards depreciation on investments**		
	i) Opening Balance	-	-
	ii) Add: Provisions made during the year	-	-
	iii) Less: Write off/write back of excess provisions during the year	-	-
	iv) Closing balance	-	-

(C) Derivative

The Company has fully hedged all its foreign currency borrowing at the time of drawal of each loan.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

(D) Exposure to Real estate sector, both direct and indirect

Description	31st March 2025	31st March 2024
(i) Direct exposure		
(a) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	2.88	2.55
(b) Commercial real estate -	-	
Lending secured by mortgages on commercial real estates (office building, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).	1.86	2.80
(c) Investments in Mortgage backed securities (MBS) and other securitised exposures-		
a. Residential	-	-
b. Commercial Real Estate	-	-
(ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFC's)	-	-
Total exposure to real estate sector	**4.74**	**5.35**

(E) Exposure to capital market

S.No.	Description	31st March 2025	31st March 2024
i	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	0.25	0.25
ii	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds.	-	-
iii	Advances for any other purpose where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as a primary security.	-	-
iv	Advances for any other purpose to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances.	-	-
v	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers.	-	-
vi	Loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
vii	Bridge loans to companies against expected equity flows/issues.	-	-
viii	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
ix	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
x	Financing to stockbrokers for margin trading	-	-
xi	All exposures to Alternative investment funds:		
	(i) Category I	6.00	4.00
	(ii) Category II	-	-
	(iii) Category III	-	-
	Total exposure to capital market	**6.25**	**4.25**

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

(F) Disclosure on sectoral exposures

S.No.	Sector	2024-25			2023-24		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and allied activities	**4,726.15**	**560.49**	**11.86%**	**5,817.28**	**700.62**	**12.04%**
2	Industry						
	i. MSME	2,186.66	58.85	2.69%	1,216.86	1.84	0.15%
	ii. Other	147.01	6.04	4.11%	214.85	11.89	5.53%
	Total	**2,333.67**	**64.89**	**2.78%**	**1,431.71**	**13.73**	**0.96%**
3	Services	-	-	-	-	-	-
4	Personal loans	**4,616.42**	**177.29**	**3.84%**	**4,803.36**	**179.40**	**3.73%**
5	Others						
	i. Vehicles	11,608.62	460.63	3.97%	11,641.22	371.33	3.19%
	ii. Consumer durable	3,689.42	74.71	2.02%	2,488.52	35.15	1.41%
	iii. Advance to dealers	184.25	0.68	0.37%	223.57	4.75	2.13%
	iv. Other	20.89	-	-	0.65	-	-
	Total	**15,503.18**	**536.02**	**3.46%**	**14,353.96**	**411.23**	**2.86%**
	Grand total	**27,179.42**	**1,338.69**	**4.93%**	**26,406.31**	**1,304.98**	**4.94%**

(G) Disclosure on intra-group exposures

Description	2024-25	2023-24
Total amount of intra-group exposures	2.22	2.31
Total amount of top 20 intra-group exposures	2.22	2.31
Percentage of intra-group exposures to total exposure of the NBFC on borrower/customers	0.01%	0.01%

The above disclosure in notes 44.17.2C to 44.17.2G also covers disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24.

(H) Asset liability management maturity pattern of certain items of assets and liabilities

As at 31st March 2025										
Time Bucket	1 to7 days	8 to 14 days	15 days to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 years	Over 3 years up to 5 years	Over 5 years
Deposits	-	-	-	-	-	-	5.95	-	-	-
Advances	865.98	577.32	618.56	1,660.15	1,804.89	3,618.33	5,514.24	10,193.00	2,043.45	283.50
Investments	-	-	-	-	-	-	282.12	-	-	17.63
Borrowings	98.21	14.12	300.35	546.88	1,074.82	3,152.20	6,577.72	11,127.12	1,346.52	150.00
Foreign currency assets	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	299.22	-	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

As at 31st March 2024										
Time Bucket	1 to7 days	8 to 14 days	15 days to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 years	Over 3 years up to 5 years	Over 5 years
Deposits	-	-	-	-	-	-	5.90	-	-	-
Advances	781.41	520.94	558.15	1,433.43	1,608.64	3,163.49	5,065.92	10,643.51	2,379.45	251.37
Investments	-	-	-	-	-	-	93.46	-	-	16.25
Borrowings	0.09	-	468.90	280.43	846.75	1,779.51	7,252.75	9,034.07	1,767.18	500.03
Foreign currency assets	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	838.01	-	-	-

(I) Category-wise classification of frauds reported during the year vide DNBS.PPD.01/66.15.001/2016-17 dated 29th September, 2016

There were 20 cases of frauds amounting to ₹ 0.47 crore reported during the year. (Previous year 7 cases amounting to ₹ 0.93 crore).

17.3 Disclosure-relating securitisation

(a) Outstanding amount of securitised assets of as per books of SPVs

S.No.	Description	2024-25	2023-24
1.	No. of SPVs sponsored by the NBFC for securitisation transactions	-	-
2.	Total amount of securitised assets as per books of the SPVs sponsored by NBFC's	-	-
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet:		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss (cash collateral term deposits with banks)	-	-
	- Second loss	-	-
	- Others	-	-
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Loss	-	-
	ii) Exposure to third-party securitisations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third-party securitisations		
	- First loss	-	-
	- Others	-	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

(b) The value of "excess interest spread receivable" and "unrealized gain" on securitization transactions undertaken in terms of guidelines on securitization transaction issued by Reserve bank of India on 21st August, 2012 are given below:

S.No.	Description	2024-25		2023-24	
		Non-Current	Current	Non-Current	Current
1	Excess interest spread receivable	-	-	-	-
2	Unrealised gain on securitisation transactions	-	-	-	-

(c) Details of financial assets sold to securitisation/reconstruction company for asset reconstruction

Description	2024-25	2023-24
No. of accounts	-	17,184.00
Aggregate value (net of provisions) of accounts sold to SC/RC	-	8.40
Aggregate consideration	-	7.66
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain/loss over net book value	-	(0.74)

(d) Details of assignment transactions undertaken by NBFCs

Description	2024-25	2023-24
No. of accounts	-	-
Aggregate value (net of provisions) of accounts sold	-	-
Aggregate consideration	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain/loss over net book value	-	-

17.4 (a) Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106DoR.FIN.REC.No.45/03.10.119/2023-24

S.No.	Movement of NPA	2024-25	2023-24
(I)	**Net NPA to Net advances (%)**	**2.87%**	**2.89%**
(II)	**Movement of gross NPA***		
	a. Opening balance	1,304.98	910.02
	b. Additions during the year	1,554.26	1,411.17
	c. Reductions during the year	500.10	409.31
	d. Write off during the year	1,020.45	606.90
	e. Closing balance	1,338.69	1,304.98
(III)	**Movement of net NPA**		
	a. Opening balance	748.26	552.53
	b. Additions during the year	1,078.09	1,056.51
	c. Reductions during the year	42.55	253.88
	d. Write off during the year	1,020.45	606.90
	e. Closing balance	763.35	748.26
(IV)	**Movement of provision for NPAs***		
	a. Opening balance	556.72	357.49
	b. Provisions made during the year	476.10	354.66
	c. Reductions/Write off during the year	457.49	155.43
	d. Closing balance	575.33	556.72

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

* #The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, dated 12th November, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under IRACP norms for regulatory purpose. The aforementioned circular has no impact on the financial results for the quarter and year ended 31st March, 2025, as the Company continues to prepare financial statements in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and the RBI circular dated 13th March, 2020 on "Implementation of Indian Accounting Standards.

*NPA figures mentioned above includes Restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

(b) Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6th August, 2020 and RBI/2 021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5th May, 2021 are given below:

	(A)	(B)	(C)	(D)	(E)
Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (A)
Personal loans	4.36	0.26	0.01	1.73	2.36
Corporate persons	0.93	0.75	-	0.18	-
Of which, MSMEs	0.93	0.75	-	0.18	-
Others	-	-	-	-	-
Total	**5.29**	**1.01**	**0.01**	**1.91**	**2.36**

(c) Disclosure on restructured accounts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019

Particulars		Amount
Restructured loans as on 1st April 2024	Amount outstanding	14.23
	Provision thereon	5.98
Fresh restructuring during the year	Amount outstanding	-
	Provision thereon	-
Reductions during the year	Amount outstanding	3.50
	Provision thereon	1.77
Write-off of restructured accounts during the year	Amount outstanding	8.20
	Provision thereon	3.04
Restructured loans as on 31st March 2025	Amount outstanding	2.53
	Provision thereon	1.17

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

(d) Provisions and contingencies

Break-up of 'Provisions and contingencies' shown under the head expenditure in Statement of Profit and Loss

Description	31st March 2025	31st March 2024
Provision for depreciation on investments	-	-
Provision/Impairment allowance towards NPA (Net)	32.11	190.23
Provision/Impairment allowance towards standard assets	(87.60)	26.78
Provision/Impairment allowance on trade receivables & other financial assets	1.20	2.38
Provision made towards income tax	323.80	307.64
Total	**269.51**	**527.03**

17.5 Disclosure as required by DOR (NBFC).CC.PD.No.109/22.10.106/2019-20
Comparison between ECL as per books and RBI provision
As at 31st March 2025

Asset classification as per RBI Norms	Asset classifi-cation as per Ind AS 109	Gross carrying amount as per Ind AS 109	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard	Stage 1	25,000.22	204.00	24,796.22	100.00	104.00
Standard	Stage 2	840.51	101.25	739.26	3.36	97.89
Subtotal for standard		**25,840.73**	**305.25**	**25,535.48**	**103.36**	**201.89**
Non-performing assets (NPA)						
Substandard	Stage 1	55.60	5.44	50.16	7.56	(2.12)
Substandard	Stage 2	416.77	121.09	295.68	63.89	57.20
Substandard	Stage 3	585.51	321.38	264.13	105.08	216.30
Subtotal for substandard		**1,057.88**	**447.91**	**609.97**	**176.53**	**271.38**
Doubtful 1- upto 1 year	Stage 1	10.93	1.26	9.67	2.77	(1.51)
Doubtful 1- upto 1 year	Stage 2	72.39	22.37	50.02	24.77	(2.40)
Doubtful 1- upto 1 year	Stage 3	194.74	102.13	92.61	63.70	38.43
Doubtful 2- 1 to 3 years	Stage 1	0.01	0.00	0.01	0.00	0.00
Doubtful 2- 1 to 3 years	Stage 3	2.31	1.48	0.83	0.93	0.55
Doubtful 3- More than 3 years	Stage 2	0.01	0.00	0.01	0.01	(0.01)
Doubtful 3- More than 3 years	Stage 3	0.42	0.18	0.24	0.22	(0.04)
Subtotal for doubtful		**280.81**	**127.42**	**153.40**	**92.40**	**35.02**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,338.69**	**575.33**	**763.37**	**268.93**	**306.40**
Total	**Stage 1**	**25,066.76**	**210.70**	**24,856.07**	**110.33**	**100.37**
	Stage 2	**1,329.68**	**244.71**	**1,084.97**	**92.03**	**152.68**
	Stage 3 *	**782.98**	**425.17**	**357.81**	**169.93**	**255.24**
	Total	**27,179.42**	**880.58**	**26,298.84**	**372.29**	**508.29**

*Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

As at 31st March 2024

Asset classification as per RBI Norms	Asset classifi-cation as per Ind AS 109	Gross carrying amount as per Ind AS 109	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard	Stage 1	24,276.24	282.43	23,993.81	97.10	185.33
Standard	Stage 2	825.09	96.91	728.18	3.30	93.61
Subtotal for standard		**25,101.33**	**379.34**	**24,721.99**	**100.40**	**278.94**
Non-performing assets (NPA)						
Substandard	Stage 1	70.76	6.08	64.68	9.61	(3.53)
Substandard	Stage 2	426.60	139.46	287.14	65.46	74.00
Substandard	Stage 3	564.76	302.36	262.40	105.62	196.74
Subtotal for substandard		**1,062.12**	**447.90**	**614.22**	**180.69**	**267.21**
Doubtful 1- up to 1 year	Stage 1	10.58	0.96	9.62	2.81	(1.85)
Doubtful 1- up to 1 year	Stage 2	54.24	17.17	37.07	16.37	0.80
Doubtful 1- up to 1 year	Stage 3	176.01	89.30	86.71	57.43	31.87
Doubtful 2- 1 to 3 years	Stage 3	1.77	1.28	0.49	0.84	0.44
Doubtful 3- More than 3 years	Stage 3	0.26	0.12	0.14	0.16	(0.04)
Subtotal for doubtful		**242.86**	**108.83**	**134.03**	**77.61**	**31.22**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,304.98**	**556.73**	**748.25**	**258.30**	**298.43**
Total	**Stage 1**	**24,357.58**	**289.47**	**24,068.11**	**109.52**	**179.95**
	Stage 2	**1,305.93**	**253.54**	**1,052.39**	**85.13**	**168.41**
	Stage 3	**742.80**	**393.06**	**349.74**	**164.05**	**229.01**
	Total	**26,406.31**	**936.07**	**25,470.24**	**358.70**	**577.37**

In terms of the above notification on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31st March 2025 and as at 31st March 2024 and accordingly, no amount is required to be transferred to Impairment reserve.

17.6 Concentration of advances, exposures & NPAs

(a) Concentration of advances

Description	2024-25	2023-24
Total advances to twenty largest borrowers	121.15	108.18
Percentage of advances to twenty largest borrowers to total advances	0.45%	0.41%

(b) Concentration of exposures

Description	2024-25	2023-24
Total exposures to twenty largest borrowers/customers	121.15	108.18
Percentage of exposures to twenty largest borrowers to total exposures	0.45%	0.41%

(c) Concentration of NPAs

Description	2024-25	2023-24
Total exposure to top four NPA accounts	7.34	7.68

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.7 a. Summary information on complaints received by the NBFCs from customers

Description	2024-25	2023-24
No. of complaints pending at the beginning of the year	109	156
No. of complaints received during the year	4,505	3,960
No. of complaints disposed during the year	4,482	4,007
of which No. of complaints rejected by the NBFC	79	45
No. of complaints pending at the end of the year	132	109

b. Maintainable complaints received by the NBFCs from offices of Ombudsman

Description	2024-25	2023-24
No. of complaints received by the NBFC from the office of Ombudsman	416	369
No. of complaints resolved in favour of the NBFC by office of Ombudsman	406	362
No. of complaints resolved after passing of awards by office of Ombudsman against the NBFC	-	-
No. of complaints resolved through conciliation/mediation/advisories issued by office of Ombudsman	10	7
Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

c. Details of awards unimplemented within the stipulated time

Description	2024-25	2023-24
No. of awards unimplemented within the stipulated time (other than those appealed)	-	-

d. Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	No. of complaints pending at the beginning of the Year	No. of complaints received during the year	% Increase/ Decrease in the no. of complaints received over the previous year	No. of complaints pending at the end of the year	No. of complaints pending beyond 30 Days
2024-25					
(a) Staff interaction related	22	851	4%	21	-
(b) Sourcing Related	14	44	(85%)	1	-
(c) Levy of charges related	1	161	(14%)	2	1
(d) SMS calls related	3	228	73%	4	-
(e) Loan Application related	-	-	(100%)	-	-
(f) Others	69	3,221	30%	104	-
2023-24					
(a) Staff interaction related	19	816	63%	22	-
(b) Sourcing Related	20	299	(15%)	14	-
(c) Levy of charges related	8	187	(63%)	1	-
(d) SMS calls related	9	132	(61%)	3	-
(e) Loan Application related	6	47	(85%)	-	-
(f) Others	94	2,479	0%	69	10

The above disclosure in note 44.17.7 also covers disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.8 Disclosure pursuant to RBI Master Directions-Reserve Bank of India (Transfer of Loan Exposure) Directions 2021 RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24th September, 2021:

Details of stressed loans transferred during the year ended 31st March 2025:

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
Number of accounts	-	-	-	-	-	-
Aggregate principal outstanding of loans ransferred (₹ in crore)	-	-	-	-	-	-
Weighted average residual tenor of the loans transferred (in years)	-	-	-	-	-	-
Net book value of loans transferred (at the time of transfer) (₹ in crore)	-	-	-	-	-	-
Aggregate consideration (₹ in crore)	-	-	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-
Excess provisions reversed to the profit and loss account on account of sale	-	-	-	-	-	-

Details of stressed loans transferred during the year ended 31st March 2024:

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
Number of accounts	17,184.00	-	-	-	-	-
Aggregate principal outstanding of loans ransferred (₹ in crore)	54.85	-	-	-	-	-
Weighted average residual tenor of the loans transferred (in years)	0.82	-	-	-	-	-
Net book value of loans transferred (at the time of transfer) (₹ in crore)	6.21	-	-	-	-	-
Aggregate consideration (₹ in crore)	6.58	-	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-
Excess provisions reversed to the profit and loss account on account of sale	55.43	-	-	-	-	-

In addition to above the Company has transferred written off loans amounting to ₹ 654.00 crore for consideration of ₹ 78.48 crore in FY 23-24.

Details of stressed loans acquired*:

Description	2024-25	2023-24
No. of accounts	-	448
Aggregate outstanding	-	15.5
Aggregate consideration received	-	15.5

*The above disclosures pertain to loan acquired from State Bank Of India (Scheduled Commercial Bank).

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.9 Registration under other regulators

S.No.	Regulator	Registration No.
1	Ministry of Company Affairs	CIN:U65920TN2008PLC069758
2	Reserve Bank of India	Certificate of Registration dt 13/04/2010 No. 07-00783

17.10 Disclosure of penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and other regulators during the year ended 31st March 2025 and 31st March 2024

17.11 Details of financing of parent company products

During the year the Company has financed 6,20,637 nos. of two wheelers and 5,360 nos. of three wheelers of TVS Motor Company Limited as against 6,22,101 nos. of two wheelers and 1,657 nos. of three wheelers during the year ended 31st March, 2024.

17.12 Ratings assigned by credit rating agencies

Rating agency	Facility	2024-25	2023-24
Care Ratings	Long term bank facilities	CARE AA+ /(Stable)	-
	Non-convertible debentures	CARE AA+ /(Stable)	-
ICRA	Long term bank facilities	ICRA AA+ /(Stable)	ICRA AA /(Stable)
	Short-term bank facilities	ICRA A1+	ICRA A1+
	Subordinated debt	ICRA AA+ /(Stable)	ICRA AA /(Stable)
	Perpetual debt (Tier I)	ICRA AA /(Stable)	ICRA AA- /(Stable)
	Commercial paper	ICRA A1+	ICRA A1+
CRISIL*	Long term rating - bank loan facilities	CRISIL AA+ /(Stable)	CRISIL AA /(Stable)
	Short term rating - bank loan facilities	CRISIL A1+	CRISIL A1+
	Non-convertible debentures	CRISIL AA+ /(Stable)	CRISIL AA /(Stable)
	Tier II Bond	CRISIL AA+ /(Stable)	CRISIL AA /(Stable)
	Perpetual bonds (Tier I)	CRISIL AA /(Stable)	CRISIL AA- /(Stable)
	Commercial paper	CRISIL A1+	CRISIL A1+
Brickwork Ratings	Subordinated debt (Tier II)	BWR AA+ /(Stable)	BWR AA /(Stable)

* CRISIL has upgraded the rating vide its rationale dated 9th April 2025.

17.13 Details of single borrower limits (SBL)/group borrower limits (GBL) exceeded

The Company has not exceeded the single borrower limit and group borrower limit as set by Reserve Bank of India for the year ended 31st March 2025.

17.14 Advance against intangible securities

The Company has not given any loans against intangible securities.

17.15 Unsecured advances

Gross loans and advances includes unsecured advances of ₹ 5,260.70 crore (31st March 2024 : ₹ 5,509.31 crore). There are no advances secured against intangible assets.

17.16 Related Party Transactions

Refer Note 42 to Ind AS financial statements.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.17 Derivatives

1. Forward rate agreement/Interest rate swap

S.No.	Description	2024-25	2023-24
(i)	The notional principal of swap agreements	300.13	751.50
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap books	297.89	842.17

2. Exchange traded interest rate (IR) derivatives

S.No.	Description	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March, 2024 (instrument wise)	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not" highly effective" (instrument -wise)	-

3. Disclosure on risk exposure in derivatives

Towards the foreign currency loan availed, the Company has taken forward cover to hedge the foreign current risks and cross currency interest rate swap.

S.No.	Description	31st March 2025	31st March 2024
i)	Outstanding derivatives		
	For hedging (Currency/Interest rate derivatives)	297.89	842.17
ii)	Marked to market positions		
	a) Asset (+)	-	90.67
	b) Liability (-)	2.24	-
iii)	Credit exposure	300.13	751.50
iv)	Unhedged exposures	-	-

17.18 Overseas assets (for those with JV and Subsidiaries abroad)

There are no overseas assets owned by the Company during the year ended 31st March 2025 and 31st March 2024

17.19 Drawdown from Reserves

No draw down from reserves existed for the year ended 31st March 2025 and 31st March 2024.

17.20 Off balance sheet SPV sponsored

There are no SPVs which are required to be consolidated by the Company during the year ended 31st March 2025 and 31st March 2024.

17.21 There are no prior period items accounted during the year.

17.22 There are no circumstances in which revenue recognition postponed pending the resolution of significant uncertainties.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

17.23 Disclosures as required for liquidity risk pursuant Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at 31st March 2025	As at 31st March 2024
Number of significant counter parties*	19	19
Amount (₹ in Cr)	23,212.04	20,041.90
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities**	88.92%	82.57%

* Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

** Total Liabilities have been computed as sum of all balance sheet liabilities excluding share capital and reserves.

(ii) Top 20 large deposits (amount in crore and % of total deposits) - NA

(iii) Top 10 borrowings (amount in crore and % of total borrowings)

Particulars	As at 31st March 2025	As at 31st March 2024
Total amount of top 10 borrowings	19,092.77	16,677.05
Percentage of amount of top 10 borrowings to total borrowings	77.34%	73.25%

(iv) Funding concentration based on significant instrument/product*

Particulars	As at 31st March 2025	Percentage of total liabilities	As at 31st March 2024	Percentage of total liabilities
Term loans from banks	16,757.81	64.20%	13,559.32	55.86%
Term loan from financial institution	943.06	3.61%	842.55	3.47%
External commercial borrowings	299.22	1.15%	838.01	3.45%
Sub-ordinated debts	2,165.74	8.30%	2,109.39	8.69%
Non-convertible debentures	2,625.39	10.06%	1,510.99	6.23%
Working capital demand loan	1,792.35	6.87%	3,803.80	15.67%

* A "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/ products which in aggregate amount to more than 1% of the NBFC's total liabilities.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

(v) Stock Ratios

S.No.	Particulars	As at 31st March 2025	As at 31st March 2024
1.	Commercial papers as a % of total public funds	0.00%	0.00%
2.	Commercial papers as a % of total liabilities	0.00%	0.00%
3.	Commercial papers as a % of total assets	0.00%	0.00%
4.	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	NA	NA
5.	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	NA	NA
6.	Non-convertible debentures (original maturity of less than one year) as a % of total assets	NA	NA
7.	Other short- term Liabilities as a % of total public funds	53.00%	56.67%
8.	Other short- term Liabilities as a % of total liabilities	50.12%	53.15%
9.	Other short- term Liabilities as a % of total assets	42.14%	45.85%

* Other Short-term Liabilities is computed as current maturities of long-term debt, short-term bank borrowings including outstanding CC/WCDL and other short-term liabilities has been considered, but excludes commercial paper and Non-convertible debentures (original maturity of less than one year).

* Public funds are as defined in Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

(vi) Institutional set-up for Liquidity Risk Management

Liquidity refers to the Company's ability to fund asset growth and meet both anticipated and unforeseen cash flow and collateral obligations in a timely manner, at a reasonable cost, and without incurring unacceptable losses. Liquidity risk arises when the Company is unable to meet such obligations as they fall due because of mismatches in the timing of cash flows under both normal and stress scenarios, potentially impairing its financial condition. Effective liquidity risk management helps ensure the company's ability to meet its obligations as and when they fall due and reduces the probability of an adverse situation developing.

At TVS Credit, liquidity risk management is governed by the Company's Asset Liability Management (ALM) Policy approved by the Board. The ALM policy outlines the principles, processes, and responsibilities related to liquidity risk management. The Company constituted an Asset Liability Management Committee (ALCO) as per guidelines issued by the RBI to NBFCs. ALCO provides strategic direction and guidance on liquidity and interest rate risk management within the framework approved by the Board. ALCO reviews the current and projected liquidity position, adequacy and diversification of funding sources, asset-liability mismatches, contingency funding plan, liquidity stress testing and interest rate risk management, among other responsibilities.

To implement ALCO directives, an ALM support group is formed, which is responsible for the day-to-day monitoring of the Company's liquidity management including short-term investments. This includes daily oversight of liquidity levels to ensure sufficient buffers for both business and contingency needs. The team monitors the concentration of borrowings across counterparties, instruments, and reviews ALM and Interest Rate Sensitivity (IRS) mismatches monthly to ensure compliance with internal and regulatory limits. It also monitors "Stock" ratios, manages the Company's collateral position, and regularly assesses the availability of unencumbered assets to support both expected and unexpected funding requirements. Furthermore, the team ensures that internal systems, controls, and procedures remain aligned with the ALM Policy.

(vii) Disclosure on Liquidity coverage ratio (LCR)

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for NBFCs. Its objective is to ensure short-term resilience of the liquidity risk profile of the NBFCs by way of maintenance of adequate High Quality Liquid Assets (HQLA) to survive a significant financial/economic stress scenario lasting for thirty days period. The Company is maintaining adequate liquidity to honor its commitments. Additionally, the Company has unutilized sanctioned lines of credits from banks to meet liquidity needs.

The key drivers for computing the LCR are as follows. Cash outflows under secured wholesale funding and unsecured wholesale funding include contractual obligations payable under various secured and unsecured borrowings respectively within the next 30 days. Inflows from fully performing exposures include the collection from performing advances in the next 30 days. Other Cash inflows include inflows from investments in fixed deposits, mutual funds and other cash inflows not covered under other line items. The LCR has been consistently maintained above 100% through the year which is well over the regulatory threshold of 100% (85 % upto 30th November, 2024).

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

S.No.	Particulars	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)
	High quality liquid assets								
1	Total high quality liquid assets (HQLA)	675.03	675.03	730.32	730.32	923.32	923.32	1,210.05	1,210.05
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding (iii)	-	-	138.59	159.38	252.72	290.63	216.67	249.17
4	Secured wholesale funding (iv)	498.20	572.93	670.38	770.93	877.86	1,009.54	714.61	821.80
5	Additional requirements, of which	-	-	-	-	-	-	-	-
i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	388.04	446.25	451.23	518.91	455.82	524.19	432.00	496.80
7	Other contingent funding obligations	69.18	79.55	80.11	92.13	83.37	95.88	100.00	115.00
8	**Total cash outflows**	**955.42**	**1,098.73**	**1,340.31**	**1,541.35**	**1,669.77**	**1,920.23**	**1,463.28**	**1,682.77**
	Cash inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,619.63	1,214.72	1,522.87	1,142.15	1,741.62	1,306.21	1,700.01	1,275.01
11	Other cash inflows	920.05	690.04	1,513.59	1,135.19	1,597.28	1,197.96	2,313.33	1,735.00
12	**Total cash inflows**	**2,539.68**	**1,904.76**	**3,036.46**	**2,277.34**	**3,338.90**	**2,504.17**	**4,013.34**	**3,010.01**

			Q1 FY25 Total adjusted value		Q2 FY25 Total adjusted value		Q3 FY25 Total adjusted value		Q4 FY25 Total adjusted value
	TOTAL HQLA		675.03		730.32		923.32		1,210.05
	TOTAL NET CASH OUTFLOWS (Weighted value of total cash outflows – Minimum of (Weighted value of total cash inflows, 75% of weighted value of total cash outflows))		274.68		385.34		480.06		420.69
	LIQUIDITY COVERAGE RATIO (%)		246%		190%		192%		288%

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

S.No.	High quality liquid assets (HQLA)	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)	Total unweighted value (average) (i)	Total weighted value (average) (ii)
1	Assets to be included as HQLA without any haircut	675.03	675.03	730.32	730.32	923.32	923.32	1,210.05	1,210.05
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act	-	-	-	-	-	-	-	-
	Total HQLA	**675.03**	**675.03**	**730.32**	**730.32**	**923.32**	**923.32**	**1,210.05**	**1,210.05**

(i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).

(ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).

(iii) Components of HQLA : Cash on hand and demand deposits with Scheduled Commercial Banks and Government Securities (T-Bill).

Investment in Gsec of ₹ 281.82 crore made on 27th March 2025 (Last year investment of ₹ 93.41 crore matured on 27th March 2025) and accordingly it has been included in HQLA computation.

17.24 Summary of total borrowings, receivables and provision

Category-wise breakup	31st March 2025	31st March 2024
Secured:		
Term loan from banks	18,000.09	15,239.88
Working capital demand loan	1,792.38	3,376.93
Non-convertible debentures	2,625.39	1,510.99
Securitised trust borrowing	-	-
Unsecured:		
Term loan from banks	-	-
Working capital demand loan	-	426.96
Commercial paper	-	-
Subordinated debts	2,165.74	2,109.39
Perpetual debt	103.57	103.57
Total	**24,687.17**	**22,767.72**

Total loans

Description	31st March 2025	31st March 2024
Category-wise breakup		
Secured loans	21,918.72	20,897.00
Unsecured loans	5,260.70	5,509.31
Total loans	**27,179.42**	**26,406.31**
Less: Impairment loss allowance	880.58	936.07
Net loans	**26,298.84**	**25,470.24**

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of standalone financial statements for the year ended 31st March 2025 (Contd.)

Total assets provisions

Description	31st March 2025	31st March 2024
Provision/Impairment allowance towards NPA	575.33	556.72
Provision/Impairment allowance towards standard assets	305.25	379.35
Provision/Impairment allowance for trade receivables and other financial assets	9.74	9.75
Total	**890.32**	**945.82**

18. Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24

Particulars	31st March 2025	31st March 2024
Fund raised through PDI during the year	-	-
Outstanding at the end of the financial year	103.57	103.57
Percentage of PDI to Tier I capital	2.3%	2.9%
Financial year in which interest for PDI not paid	NA	NA

19. Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24:

Loans to Directors, Senior Officers and relatives of Directors:

Particulars	2024-25	2023-24
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

The above notification is applicable w.e.f. 1st October,2022 and accordingly the transactions have been disclosed.

20. Disclosure under SEBI circular – "Ease of doing business and development of corporate bond markets – revision in the framework for fund raising by issuance of debt securities by Large Corporates (LCs)" dated 19th October, 2023 :

The Company qualifies as a Large Corporate under Chapter XII of the SEBI Master Circular dated 22nd May, 2024, on the issuance and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities, and Commercial Paper. In accordance with these guidelines, the Company is required to raise at least 25% of its incremental borrowings during a financial year through the issuance of debt securities. This requirement must be fulfilled within a contiguous block of three years.

During the year under review, the Company's incremental eligible borrowings stood at ₹10,650 crore. Accordingly, it was required to raise ₹2,663 crore through issuance of debt securities. Of this, the company raised ₹1,675 crore in FY25. The balance ₹988 crore will be raised within the prescribed timeline of three contiguous years i.e. 31st March, 2027, to ensure compliance with the SEBI circular.

21 Disclosure on Restructuring Pursuant to Reserve Bank of India Notification Rbi/Dor/2023-24/106 Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 Dor.Fin.Rec.No.45/03.10.119/2023-24 updated as on 31st March 2025

S.No.	Type of Restructuring		Under CDR mechanism					Under SME debt restructuring mechanism					Others					Total				
	Asset Classification Details		Stan-dard	Sub-stand-ard	Doubt-ful	Loss	Total	Stan-dard	Sub-stan-dard	Doubt-ful	Loss	Total	Stan-dard	Sub-stan-dard	Doubt-ful	Loss	Total	Stan-dard	Sub-stan-dard	Doubt-ful	Loss	Total
1	Restructured accounts as on 1st April of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	50.00	4.00	33.00	-	87.00	782.00	434.00	1,383.00	-	2,599.00	832.00	438.00	1,416.00	-	2,686.00
		Amount outstanding	-	-	-	-	-	2.33	0.20	1.15	-	3.68	7.35	4.90	16.59	-	28.83	9.68	5.10	17.74	-	32.51
		Provision thereon	-	-	-	-	-	0.11	0.06	0.15	-	0.33	0.47	1.87	6.95	-	9.29	0.58	1.93	7.10	-	9.62
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	48.00	(2.00)	(46.00)	-	-	48.00	(2.00)	(46.00)	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.58	(0.00)	(0.58)	-	-	0.58	(0.00)	(0.58)	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.21	(0.01)	(0.39)	-	(0.19)	0.21	(0.01)	(0.39)	-	(0.19)
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradation of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(9.00)	9.00	-	-	-	(59.00)	59.00	-	-	-	(68.00)	68.00	-	-	-
		Amount outstanding	-	-	-	-	-	(0.79)	0.79	-	-	-	(0.42)	0.42	-	-	-	(1.22)	1.22	-	-	-
		Provision thereon	-	-	-	-	-	(0.09)	0.25	-	-	0.16	(0.04)	0.17		-	0.13	(0.13)	0.42	-	-	0.29
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	1.00	17.00	-	18.00	52.00	193.00	494.00		739.00	52.00	194.00	511.00	-	757.00
		Amount outstanding	-	-	-	-	-	-	0.11	0.17	-	0.27	0.08	3.37	7.50	-	10.95	0.08	3.47	7.67	-	11.22
		Provision thereon	-	-	-	-	-	-	0.03	0.05	-	0.08	0.01	1.33	3.21	-	4.54	0.01	1.36	3.26	-	4.63
7	Collection	No. of borrowers	-	-	-	-	-	30.00	(4.00)	15.00	-	41.00	522.00	6.00	722.00	-	1,250.00	552.00	2.00	737.00	-	1,291.00
		Amount outstanding	-	-	-	-	-	1.41	(0.39)	0.98	-	2.01	5.21	(0.62)	7.41	-	12.01	6.62	(1.00)	8.40	-	14.01
		Provision thereon	-	-	-	-	-	0.02	(0.15)	0.13	-	0.01	0.28	(0.40)	3.11	-	2.99	0.31	(0.55)	3.24	-	3.00
8	Restructured accounts as on 1st April of the FY (closing figures*)	No. of borrowers	-	-	-	-	-	11.00	16.00	1.00	-	28.00	197.00	292.00	121.00	-	610.00	208.00	308.00	122.00	-	638.00
		Amount outstanding	-	-	-	-	-	0.13	1.27	-	-	1.40	2.22	2.57	1.09	-	5.87	2.34	3.84	1.09	-	7.27
		Provision thereon	-	-	-	-	-	0.00	0.44	(0.03)	-	0.41	0.34	1.11	0.24	-	1.69	0.34	1.55	0.21	-	2.10

22. Disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24:

The statutory auditors have not expressed any modified opinion on the financial statement for the year ended 31st March 2025.

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

To the Members of TVS Credit Services Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of TVS Credit Services Limited ("the Parent" / "the Holding Company") and its three subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

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 Companies Act 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2025, and its consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit matters

Key audit matters are those matters that, in our professional judgement, 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 following are the Key Audit Matters.

Key Audit matters	How our audit addressed the Key matters
Impairment Loss Allowance Management's judgements in the calculation of impairment allowances have significant impact on the Consolidated Financial Statements. The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments." Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.	We obtained an understanding of management's assessment of impairment of loans and advances including the Ind AS 109 implementation process, internal rating model, impairment allowance policy and ECL modelling methodology. We assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. We also verified the key judgements and assumptions relating to the macro-economic scenarios including the impact of Covid 19 Pandemic and the associated probability weights.

Key Audit matters	How our audit addressed the Key matters
The key areas of judgement include: 1. Categorization of loans in Stage I, II and III based on identification of: (a) exposures with significant increase in credit risk since their origination and (b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. These judgements required the models to be reassessed including the impact of Covid-19 Pandemic to measure the ECL. Management has made several interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	We also assessed the approach of the Group for categorization of the loans in various stages reflecting the inherent risk in the respective loans. For a sample of financial assets, we tested the correctness of Staging, reasonableness of PD, accuracy of LGD and ECL computation. We have also verified the compliance of circulars issued by Reserve Bank of India from time to time during the year on this subject. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements
IT Systems and Controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, Any control lapses, Validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated.	We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. Reliance was also placed on the System Audit report of the Company. Based on our review no material weakness was found in the IT Systems and Controls.

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

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone and Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 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 Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of 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 Consolidated 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 financial controls 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 Group has adequate internal financial controls with reference to Consolidated Financial Statements 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 Group'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 Consolidated 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 Group to cease to continue as a going concern.

  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.
- 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.

Obtain sufficient appropriate audit evidence regarding the financial information of the entity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the entity included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' below.

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

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

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

Other Matters

We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of ₹16.31 crore as of 31st March 2025, total revenues of ₹1.08 crore and net cash inflows amounting to ₹0.62 crore for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements 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 the subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the financial statements certified by the Management. One of the joint statutory auditors has not audited the comparative consolidated financial statements for the year ended 31st March 2024. The comparative consolidated financial statements for the year ended 31st March 2024 were audited by the previous joint statutory auditors whose report dated 8th May 2024 expressed an unmodified opinion on those consolidated financial statements.

Our opinion on the Consolidated Financial Statements is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1) 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 accounts as required by law have been kept by the Group so far as it appears from our examination of those books;

(c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of accounts;

(d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;

(e) On the basis of the written representations received from the directors of the Parent Company as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(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 Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements in Note no.44.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The derivative contracts being in the nature of the hedge contracts, the company does not anticipate any material losses from the same.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Group.

iv. a) The respective Managements of the Company and its Subsidiaries have represented that, to the best of its knowledge and belief, 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 or its Subsidiaries 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 respective Managements of the Company and its Subsidiaries have represented, that, to the best of it's knowledge and belief, no funds have been received by the Company or its Subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Subsidiaries 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 the audit procedures that has 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) contain any material misstatement.

(i) The Group has not declared or paid any Dividend during the year.

(j) With respect to Rule 11(g) of Companies (Audit & Auditors) Rules,2014, on maintenance of audit trail, transaction and edit log, based on our examination which included test checks, the Company and its subsidiaries has used multiple accounting softwares for maintaining its books of accounts which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Group as per the statutory requirements for record retention.

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 Companies 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.

For **CNGSN & Associates LLP**
Chartered Accountants
Firm Regn. No. 004915S

C.N.Gangadaran
Partner
Membership No. 011205

Date: 28.4.2025
Place: Chennai

UDIN: 25011205BMIJBI5928

For **Suri & Co.,**
Chartered Accountants
Firm Regn. No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Date: 28.4.2025
Place: Chennai

UDIN: 25229694BMIIHF1398

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 TVS Credit Services Limited ("the Company") and its three subsidiaries which are companies incorporated in India, as of 31st March 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Management of the Parent company and its subsidiaries, which are companies incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of internal financial controls with reference to Consolidated 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. Our responsibilities in this regard are further described in the section titled 'Other Matters' below.

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 system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls 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 has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March 2025, 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.

Other Matters

The Internal Financial Control with reference to Financial Statements for the subsidiaries in the Group is not applicable since its turnover as per last audited financial statements is less than ₹50 crore and its borrowings from banks and financial institutions at any time during the year is less than ₹25 crore and accordingly, the subsidiaries are exempted from getting an audit opinion with respect to the adequacy of the internal financial controls with reference to the Financial Statements and the operating effectiveness of such controls vide Notification dated 13th June, 2017.

Our opinion is not modified in respect of the above matter.

For **CNGSN & Associates LLP**
Chartered Accountants
Firm Regn. No. 004915S

C.N.Gangadaran
Partner
Membership No. 011205

Date: 28.4.2025
Place: Chennai

UDIN: 25011205BMIJBI5928

For **Suri & Co.,**
Chartered Accountants
Firm Regn. No. 004283S

Sanjeev Aditya.M
Partner
Membership No. 229694

Date: 28.4.2025
Place: Chennai

UDIN: 25229694BMIIHF1398

CONSOLIDATED BALANCE SHEET
AS ON 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

S.No.	Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,599.65	1,761.42
(b)	Bank balances other than (a) above	5	5.95	5.90
(c)	Derivative financial instruments	6	-	90.67
(d)	Receivables			
	i) Trade receivables	7	152.21	117.20
(e)	Loans	8	26,298.84	25,470.24
(f)	Investments	9	287.75	97.71
(g)	Other financial assets	10	28.25	25.02
	Total		**30,372.65**	**27,568.16**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	11.04	19.81
(b)	Deferred tax assets (net)	12	408.64	337.96
(c)	Investment property	13	85.16	85.16
(d)	Property, plant and equipment	14	45.07	35.92
(e)	Right-to-use asset	14	65.19	26.58
(f)	Capital work-in-progress	14	2.40	2.73
(g)	Intangible assets under development	14	10.96	3.18
(h)	Other intangible assets	14	2.53	2.94
(i)	Other non-financial assets	15	53.10	58.57
	Total		**684.09**	**572.85**
	Total assets		**31,056.74**	**28,141.01**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Derivative financial instruments	6	2.24	-
(b)	Payables			
	I. Trade payables			
	i) Total outstanding dues of micro enterprises and small enterprises	16	9.35	14.19
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	1,081.98	1,035.09
(c)	Debt securities	17	2,625.39	1,510.99
(d)	Borrowings (other than debt securities)	18	19,792.47	19,043.77
(e)	Subordinated liabilities	19	2,269.31	2,212.96
(f)	Other financial liabilities	20	221.35	334.63
	Total		**26,002.09**	**24,151.63**
2	**Non-financial liabilities**			
(a)	Provisions	21	59.58	67.59
(b)	Other non-financial liabilities	22	42.87	52.85
	Total		**102.45**	**120.44**
3	**Equity**			
(a)	Equity share capital	23	236.27	228.22
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other equity	24	4,697.55	3,622.34
	Total		**4,952.20**	**3,868.94**
	Total liabilities and equity		**31,056.74**	**28,141.01**
See accompanying notes to the consolidated financial statements				
Material accounting policies forming part of consolidated financial statements		3		
Additional notes forming part of consolidated financial statements		44		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

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

(All amounts in ₹ crore unless otherwise stated)

S. No.	Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
	Revenue from operations			
i)	Interest income	25	5,798.41	5,113.55
ii)	Fees and commission income	26	736.46	592.05
iii)	Net gain on fair value changes on financial instruments	27	92.32	-
iv)	Other operating income	28	-	85.09
I)	**Total revenue from operations**		**6,627.19**	**5,790.69**
II)	Other Income	29	3.93	5.47
III)	**Total income (I + II)**		**6,631.12**	**5,796.16**
	Expenses			
i)	Finance costs	30	1,863.32	1,653.64
ii)	Fees and commission expense		527.16	429.87
iii)	Impairment on financial instruments (net)	31	1,295.36	1,127.05
iv)	Employee benefits expenses	32	1,135.58	1,200.78
v)	Depreciation and amortization expenses	14	46.20	27.39
vi)	Other expenses	33	736.97	594.55
IV)	**Total expenses (IV)**		**5,604.59**	**5,033.28**
V)	**Profit before exceptional items and tax (III-IV)**		**1,026.53**	**762.88**
VI)	Exceptional items		-	-
VII)	**Profit before tax (V-VI)**		**1,026.53**	**762.88**
VIII)	**Tax expense**	34		
	(1) Current tax		324.07	307.87
	(2) Deferred tax		(65.61)	(117.55)
IX)	**Profit for the year**		**768.07**	**572.56**
X)	Other comprehensive income	35		
A.	(i) Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit plans		(10.64)	(9.72)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.68	2.45
	Subtotal (A)		**(7.96)**	**(7.27)**
B.	(i) Items that will be reclassified to profit or loss			
	- Fair value change on cash flow hedge		(8.89)	(17.95)
	- Fair value gain/(loss) on financial instruments through other comprehensive income		(0.62)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		2.39	4.52
	Subtotal (B)		**(7.12)**	**(13.43)**
	Other comprehensive income (A+B)		**(15.08)**	**(20.70)**
XI)	**Total comprehensive income for the year (Comprising Profit/(Loss) and other comprehensive income for the year)**		**752.99**	**551.86**
XII)	Earnings per equity share (Face value of ₹ 10/- each)	36		
	Basic (₹)		30.39	23.93
	Diluted (₹)		30.39	23.93
See accompanying notes to the consolidated financial statements				
Material Accounting Policies forming part of consolidated financial statements		3		
Additional notes forming part of consolidated financial statements		44		

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

Place : Chennai
Date : 28th April 2025

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Cash flows from operating activities		
Profit before tax	1,026.53	762.88
Adjustments for:-		
Depreciation and amortization	46.20	27.39
Impairment of financial instruments	(56.00)	219.39
Profit on disposal of property, plant and equipment	(0.20)	(0.47)
Finance costs	1,863.32	1,653.64
Unwinding of discount on security deposits	(0.97)	(0.95)
Remeasurement of defined benefit plans	(10.64)	(9.72)
Share-based payment expenses	0.27	-
Cash outflow towards finance costs	(1,858.87)	(1,653.00)
Cash generated from operations before working capital changes	**(16.89)**	**236.28**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(36.21)	(55.22)
(Increase)/Decrease in Loans	(771.40)	(5,142.17)
(Increase)/Decrease in Other financial assets and other bank balances	(3.53)	(1.42)
(Increase)/Decrease in Other non-financial assets	5.47	(13.24)
Increase/(Decrease) in Trade payables	42.05	413.59
Increase/(Decrease) in Other financial liabilities	(153.33)	99.53
Increase/(Decrease) in Provisions and other non-financial liabilities	(17.99)	36.35
Net cash used in operating activities before income tax	**74.70**	**(3,663.42)**
Income taxes paid (net of refund)	(315.30)	(337.27)
Net cash used in operating activities (I)	**(240.60)**	**(4,000.69)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(34.12)	(26.89)
Proceeds from sale of Property, plant and equipment	0.23	0.56
Investment in Capital work-in-progress	0.33	(2.73)
Investment in Intangible assets under development	(7.78)	(3.18)
Investment in Government securities	(188.66)	(93.46)
Investment in Compulsory convertible debentures	-	(0.25)
Investment in Alternate investment fund	(2.00)	(4.00)
Net cash used in investing activities	**(232.00)**	**(129.95)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	330.00	-
Proceeds from issue of Compulsorily convertible preference shares	-	558.00
Proceeds from Issue/(Repayment) of Debt securities (net)	1,114.40	(1,147.81)
Proceeds/(Repayment) of Borrowings other than debt securities (net)	834.47	4,538.80
Proceeds/(Repayment) of Subordinated liabilities (net)	56.35	413.87
Payments of Lease liabilities	(24.33)	(10.66)
Net cash generated from financing activities (III)	**2,310.89**	**4,352.20**
Net Increase/(Decrease) in cash and cash equivalents	**1,838.29**	**221.56**
Cash and cash equivalents at the beginning of the year	1,761.33	1,539.77
Cash and cash equivalents at the end of the year	**3,599.62**	**1,761.33**

Components of cash and cash equivalents for the purpose of Statement of Cash Flows:

Description	As at 31st March 2025	As at 31st March 2024
Cash and cash equivalents as per Balance Sheet	3,599.65	1,761.42
Less: Overdrafts utilised	0.03	0.09
(Grouped under Borrowings (other than debt securities) - Note 18)		
Cash and cash equivalents for the purpose of Statement of Cash Flows	**3,599.62**	**1,761.33**

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
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For and on behalf of the Board of Directors of
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Sudarshan Venu
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Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in ₹ crore unless otherwise stated)

I) Equity share capital

	Notes	Amounts
Balance as at 1st April 2023		**228.22**
Changes in equity share capital during the year	23	-
Balance as at 31st March 2024		**228.22**
Changes in equity share capital during the year	23	8.06
Balance as at 31st March 2025		**236.27**

II) Instruments entirely equity in nature

	Notes	Amounts
Balance as at 1st April 2023		**-**
Changes in equity share capital during the year	23	18.38
Balance as at 31st March 2024		**18.38**
Changes in equity share capital during the year	23	-
Balance as at 31st March 2025		**18.38**

III) Other Equity

		Reserves and Surplus					
	Notes	Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Other reserves - Hedging reserve	Total
Balance as at 1st April 2023		**1,336.35**	**242.03**	**-**	**934.95**	**19.32**	**2,532.65**
Profit for the year	24	-	-	-	572.56	-	572.56
Other comprehensive income	24	-	-	-	(7.28)	(13.43)	(20.71)
Transaction in the capacity as owners							
Transfer to Statutory reserve	24	-	114.37	-	(114.37)	-	-
Issuance of equity shares	24	537.84	-	-	-	-	537.84
Balance as at 31st March 2024		**1,874.19**	**356.40**	**-**	**1,385.86**	**5.89**	**3,622.34**
Profit for the year	24	-	-	-	768.07	-	768.07
Other comprehensive income	24	-	-	-	(7.96)	(7.12)	(15.08)
Transaction in the capacity as owners							
Transfer to Statutory reserve	24	-	153.45	-	(153.45)	-	-
Issuance of equity shares	24	321.95	-	-	-	-	321.95
Share-based payment expenses	24	-	-	0.27	-	-	0.27
Balance as at 31st March 2025		**2,196.14**	**509.85**	**0.27**	**1,992.52**	**(1.23)**	**4,697.55**

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

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Chetan Nage
Company Secretary

Place : Chennai
Date : 28th April 2025

(All amounts in ₹ crore unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Parent Company') (CIN U65920TN2008PLC069758) is a public limited company incorporated and domiciled in India. The registered office is located at "Chaitanya", No. 12 Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India. The Parent Company with its subsidiaries is collectively referred to as a Group.

The Parent Company received Certificate of Registration (No. N-07-00783) dated 13th April, 2010 from Reserve Bank of India (RBI) and commenced Non-Banking financial activity there on. The Parent Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Parent Company is engaged in providing automobile finance, consumer durable loans and small business loans. The Parent Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" vide RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22nd February, 2019. Effective 1st October, 2022, the Parent Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation dated 22nd October, 2021.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time and other applicable RBI circulars/notifications, notification for Implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 ('RBI notification for Implementation of Ind AS') and other applicable RBI circulars/notifications.

The financial statements have been prepared in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October, 2018. Further, the Group follows application guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC) or other regulators, as and when they are issued and applicable.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on going concern basis based on the ability of the Group to continue its business for the foreseeable future and no material uncertainity exists that may cause significant doubt on the going concern assumption. In making this assessment, the Group has considered wide range of information relating to present & likely future conditions including projections of cash flows & profitability.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Parent Company.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

(All amounts in ₹ crore unless otherwise stated)

The subsidiary companies considered in consolidated financial statements are:

S. No.	Name of the subsidiary	Proportion of ownership (interest/voting power -%)		Reporting date
		2024-25	2023-24	
1	Harita ARC Private Limited	100%	100%	31st March 2025
2	TVS Housing Finance Private Limited	100%	100%	31st March 2025
3	Harita Two Wheeler Mall Private Limited	100%	100%	31st March 2025

All the subsidiaries are incorporated in India.

2.2 Presentation of financial statements

Financial assets and financial liabilities are generally reported on a gross basis in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

2.3 Significant estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

(a) Business model assessment - Refer Note 3.5.1A

(b) Fair value of financial instruments - Refer Note 38

(c) Impairment of financial asset - Refer Note 39

(d) Provisions & Other Contingent Liabilities - Refer Note 21

(e) Estimation of defined benefit obligation - Refer Note 37

3 Material accounting policies

3.1 Property, plant and equipment (PPE)

Items of property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Profit or Loss during the reporting period in which they are incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/ expenses in the Statement of Profit and Loss when the asset is derecognised.

3.2 Depreciation

Depreciation is provided on straight-line basis over the estimated useful lives of the assets. The useful life estimated by the Group is in line with the useful life prescribed under Part C of Schedule II of the Companies Act,

(All amounts in ₹ crore unless otherwise stated)

2013 except in the case of mobile phone and tablets (office equipment), on which depreciation is considered as 2 years based on the technical evaluation and leased vehicles (vehicles) have been depreciated over lease period.

Useful life as used by the Group and as indicated in Schedule II are listed below:

Nature of asset	Useful life as per Schedule II	Useful life adopted by the Group
Computers	3 years	3 years
Computer software	3 years	3 years
Furniture and fixtures	10 years	10 years
Leasehold improvements (Furniture and fixtures)	10 years	As per lease tenure
Office equipments	5 years	5 years
Office equipments (Mobile phones and tablet)	5 years	2 years
Vehicles(Motor cycle)	10 years	10 years
Vehicles (Motor car)	8 years	8 years

Depreciation on PPE individually costing ₹5,000/- or less is provided 100% in the year of acquisition.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss.

Depreciation on fixed assets added/disposed off during the year is calculated on pro-rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

3.4 Intangible assets

Intangible assets acquired are recorded at their acquisition cost and are amortized on straight line basis over its useful life. Software is amortized over 3 years period or the license period whichever is lower on straight line basis.

3.5 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are measured at amortised cost, unless otherwise specified.

All financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Group recognises the financial instruments on settlement date.

3.5.1 Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

(All amounts in ₹ crore unless otherwise stated)

3.5.1A Classification

The Group classifies its financial assets in the following categories, those to be measured subsequently at

(a) Amortized cost,

(b) Fair value through other comprehensive income (FVTOCI), and

(c) Fair value through profit or loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because it reflects the best way the business is managed, and information is provided to the management.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

3.5.1B Measurement

At initial recognition, the Group measures financial assets, except those at FVTPL, at their fair value adjusted for transaction costs or origination income directly attributable to the acquisition. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

i. Debt instruments carried at amortized cost (AC):

(a) The business model of the Group for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Group, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/or asset reconstruction companies without affecting the business model of the Group.

(b) After initial measurement, such financial assets are subsequently measured at amortised cost on effective interest rate (EIR). Refer note 3.5.5A for further details.

ii. Debt instruments at fair value through other comprehensive income (FVTOCI):

(a) A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

(b) Financial assets included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

iii. Debt instruments at fair value through profit or loss (FVTPL):

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss.

iv. Equity instruments at cost:

Investments in subsidiary and associate are measured at cost as per Ind AS 27 – Separate Financial Statements.

(All amounts in ₹ crore unless otherwise stated)

v. Equity instruments at fair value through other comprehensive income (FVTOCI):

Investments in equity instruments other than in subsidiaries and associates are measured at fair value.

The Group has strategic investments in equity for which it has elected to present subsequent changes in fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the aforesaid equity instruments are recognised in OCI and are not reclassified to the Statement of Profit and Loss subsequently, even on sale of those investments.

vi. Investment in Government securities:

The Parent Company also made an investment in the Government securities in order to comply with the liquidity ratio compliance as required by RBI pursuant to its master directions. The Parent Company intends to hold these assets till maturity and any sale if necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS 109.

vii. Investment in Compulsory convertible debenture:

The Parent Company recognises the investment in Compulsory convertible debenture on the issuance date and is classified and measured, at fair value through other comprehensive income.

viii. Investment in Alternate investment fund:

The Parent Company recognises the investment in alternate investment funds on trade date and is classified and measured, at fair value through other comprehensive income. Any gain/losses on disposal or subsequent re-measurement is recognised in the other comprehensive income.

3.5.2 Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

3.5.2A Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

3.5.2B Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.5.3 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in the year ended 31st March 2025 and 31st March 2024.

3.5.4 Derecognition of financial assets & liabilities

i) Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

ii) Derecognition of financial assets other than due to substantial modification of terms and conditions

(a) A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss.

(All amounts in ₹ crore unless otherwise stated)

(b) The Group enters into securitisation transactions where financial assets are transferred to a special purpose vehicle for a purchase consideration. The credit enhancement is provided in the form of cash collateral and investment in equity tranche PTCs, pursuant to the transfer of financial assets under securitisation. Basis this, the Group concluded that securitisation transactions entered by the Group does not qualify for derecognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

iii) Derecognition of financial liabilities

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

3.5.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

A) Interest income:

(1) Interest income is recognized using the effective interest rate (EIR) method for all financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

(2) Income by way of additional interest on account of delayed payment by the customers is recognized on realization basis, due to uncertainty in collection.

(3) Interest on govt securities is recognised as interest income in profit and loss statement

B) Dividend income:

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

C) Fees and commission income:

(1) Fees and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligations are performed and there is no significant financing component of the consideration.

(2) Income in the nature of bounce and related charges are recognized on realization, due to uncertainty in collection.

(3) The Group recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

D) Other operating income:

The Group recognises proceeds from sale of written off & stressed financial asset.

E) Other income:

Other income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.5.6 Impairment of financial assets

The Group recognizes loss allowance for expected credit loss (ECL) on the following financial assets that are not measured at FVTPL:

i. Loans

ii. Trade receivables and other financial assets

(All amounts in ₹ crore unless otherwise stated)

i. Loans

Expected credit losses are measured through a loss allowance at an amount equal to:

1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

2) Lifetime expected credit losses (expected credit losses that result from all possible default events over the expected life of the financial instrument).

Both life time ECLs (LTECL) and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its loans into stage 1, stage 2 and stage 3, as described below:

Stage	Days Past due	ECL	Risk
Stage 1	Up to 30 days	12-month ECL	Low credit risk
Stage 2	31-90 days	Life-time ECL	Significant increase in credit risk
Stage 3	More than 90 days	Life-time ECL	Impaired assets

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3. (If completely regularised to zero DPD for stage 3)

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

Significant increase in credit risk: The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime ECLs rather than 12 month ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available with.

Stage 3: Credit-impaired financial assets: A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses

Loans considered credit impaired are the loans which are past due for more than 90 days and has not been completely regularised to zero DPD & includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date. Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared. The Group records an allowance for life time ECL.

(All amounts in ₹ crore unless otherwise stated)

Measurement of ECLs

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of the ECL model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Group has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD.

Probability of default ('PD'):

PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default ('EAD'):

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

Loss given default ('LGD'):

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

Mechanics of ECLs

The Group applies a three-stage approach to measure ECL on financial assets that are not measured at fair value through profit or loss:

Stage 1: 12 month ECL

At initial recognition and for financial instruments where there has not been a significant increase in credit risk since initial recognition, the Group recognizes an allowance based on the 12-month ECL.

The 12-month ECL represents the portion of lifetime ECL that result from default events that are possible within the 12 months after the reporting date. The Group calculates this allowance based on the expectation of a default occurring within 12 months following the reporting date.

These expected 12-month default probabilities are applied to a forecasted exposure at default (EAD) and multiplied by the expected loss given default (LGD).

Stage 2: Lifetime ECL-not credit impaired

When a financial asset shows a significant increase in credit risk since origination but is not considered credit-impaired, the Group records an allowance for lifetime ECL.

The mechanics are similar to stage 1 but the probability of default (PD) and LGD are estimated over the remaining lifetime of the instrument.

Stage 3: Lifetime ECL-credit impaired

For financial assets that are credit-impaired, the Group recognizes the lifetime ECL.

The methodology is similar to stage 2, but with the PD set at 100% to reflect that the asset is already credit impaired.

Forward looking information:

In its ECL models, the Group relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

ii. Trade receivables and other financial assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and other financial assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

(All amounts in ₹ crore unless otherwise stated)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Collateral repossessed:

The Group does the regular repossession of collateral provided against the loans in case of default in agreed payments. The Group generally sells the asset repossessed to recover the underlying loan and does not use for internal operation.Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as assets held for sale.

Write-off:

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3.5.7 Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates derivatives taken on external commercial borrowings (ECB) as cashflow hedges (hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions.

The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 38. Movements in the hedging reserve in shareholders' equity are shown in Note 24.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the "other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

3.5.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and positive balance in bank cash credit. Bank cash credit with negative balances are shown within borrowings in the balance sheet.

3.7 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(i) Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred

income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

(ii) Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit or Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

3.8 Employee Benefits

(a) Short term employee benefits

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

(b) Long term employee benefits

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

(c) Post-employment obligation:

The Group operates the following post-employment schemes:

- Defined benefit plans such as gratuity for its eligible employees, pension plan for its senior managers; and
- Defined contribution plans such as provident fund.

(i) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Provident fund:

Contributions to provident fund made to Regional Provident Fund Commissioner in respect of Employees' Provident Fund based on the statutory provisions are charged to Statement of Profit and Loss on accrual basis.

(d) Share based payment

The Parent Company operates an equity settled share-based payment arrangement for its employees. The Parent determines the fair value of the employee stock options on the grant date using the Black Scholes model. The total cost of the share option is accounted for on a straight-line basis over the vesting period of the grant. The cost attributable to the services rendered by employees is recognised as employee benefits expenses in the Statement of Profit and Loss.

(e) Other employee benefits

The Group contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

3.9 Functional currency

3.9.1 Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). i.e., in Indian rupees (INR) and all values are rounded off to nearest lakhs except where otherwise indicated.

3.9.2 Transactions and balances:

- Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

3.10 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred.

3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions of non-cash nature as permitted by Ind AS 7.

3.12 Earnings per share

In accordance with Ind AS 33 the basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

3.13 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.14 Lease

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Group as a lessee, assesses, whether the contract is, or contains a lease. A contract is, or contains a lease if the contract involves:–

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset,

(c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a right-of-use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated

depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments are discounted using the incremental borrowing rate.

For short-term leases and low value assets (assets of less than INR 500,000 in value) the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as cash flow used in financing activities.

3.15 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.

3.16 Provisions

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

3.17 Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liabilities. Show cause notices are not considered as contingent liabilities unless converted into demand.

3.18 Equity

Equity shares are classified as equity. Distributions to holders of an equity instrument are recognized by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

(All amounts in ₹ crore unless otherwise stated)

NOTE 4 Cash and cash equivalents

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Cash on hand*	0.33	4.91
b)	Balance with banks		
	- Current accounts	3,583.73	1,741.10
	- Deposit	15.59	15.91
	Total	**3,599.65**	**1,761.42**

* Includes cash collected from borrowers as on Balance Sheet date subsequently deposited with bank.

NOTE 5 Bank balance other than cash and cash equivalents*

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Bank balance other than cash and cash equivalents	5.95	5.90
	Total	**5.95**	**5.90**

* Balance maintained in fixed deposits with original maturity more than 3 months as cash collateral towards cash credit (CC) facilities.

NOTE 6 Derivative Financial Instruments

S.No.	Description	As at 31st March 2025		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	300.13	-	2.24
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	300.13	-	2.24
	Total	**300.13**	**-**	**2.24**

S.No.	Description	As at 31st March 2024		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	751.50	90.67	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	751.50	90.67	-
	Total	**751.50**	**90.67**	**-**

The Group has a Board approved policy for entering into derivative transactions. Derivative transactions comprises of cross currency interest rate swaps (CCIRS). The Group undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee (ALCO) periodically monitors and reviews the risks involved.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Group has entered to hedge the variable interest rate and foreign exchange risks. Refer Note 39 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

NOTE 7 Trade receivables

S.No.	Particulars	As at 31st March 2025	As at 31st March 2024
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured	153.94	118.95
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	-	-
	Total (A)	**153.94**	**118.95**
	Less: Allowance for impairment loss (B)	1.73	1.75
	Net (C) = (A-B)	**152.21**	**117.20**

There are no dues by Directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

(All amounts in ₹ crore unless otherwise stated)

NOTE 7 Trade receivables (Ageing schedule)

S.No.	Particulars	Outstanding for following periods from due date of payment as at 31st March 2025					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed trade receivable – considered good	152.21	1.60	0.13	-	-	153.94
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivable–considered good	-	-	-	-	-	-
(v)	Disputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivable – credit impaired	-	-	-	-	-	-
	Total (A)	**152.21**	**1.60**	**0.13**	**-**	**-**	**153.94**
	Less: Allowance for impairment loss (B)	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**152.21**	**-**	**-**	**-**	**-**	**152.21**

S.No.	Particulars	Outstanding for following periods from due date of payment as at 31st March 2024					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed trade receivable – considered good	118.95	-	-	-	-	118.95
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivable–considered good	-	-	-	-	-	-
(v)	Disputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivable – credit impaired	-	-	-	-	-	-
	Total (A)	**118.95**	**-**	**-**	**-**	**-**	**118.95**
	Less: Allowance for impairment loss (B)	1.75	-	-	-	-	1.75
	Net (C) = (A-B)	**117.20**	**-**	**-**	**-**	**-**	**117.20**

NOTE 8 Loans

S.No.	Description	As at 31st March 2025	As at 31st March 2024
		Amortised cost	
(A)	**Term loans**		
	i) Automobile financing	18,130.65	18,339.55
	ii) Consumer lending	8,428.23	7,384.29
	iii) Small business lending	620.54	682.47
	Total loans - Gross	**27,179.42**	**26,406.31**
	Less: Impairment loss allowance	880.58	936.07
	Total loans - Net (a) - (b)	**26,298.84**	**25,470.24**
(B)	**Nature**		
a)	Secured by tangible assets	21,918.72	20,897.00
b)	Unsecured loans	5,260.70	5,509.31
c)	**Total loans - Gross (a) + (b)**	**27,179.42**	**26,406.31**
d)	Less: Impairment loss allowance	880.58	936.07
e)	**Total loans - Net (c) - (d)**	**26,298.84**	**25,470.24**

(All amounts in ₹ crore unless otherwise stated)

NOTE 8 Loans (Contd.)

S.No.	Description	As at 31st March 2025	As at 31st March 2024
i)	Loans in India		
	Public sector	-	-
	Others	27,179.42	26,406.31
	Total loans - Gross	**27,179.42**	**26,406.31**
	Less: Impairment loss allowance	880.58	936.07
	Total loans - Net	**26,298.84**	**25,470.24**
ii)	Loans outside India	-	-
iii)	**Total loans (i) + (ii)**	**26,298.84**	**25,470.24**

a. Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or equitable mortgage of property and / or equipment.

b. The stock of loan (automobile finance) includes 6,266 nos repossessed vehicles as at Balance Sheet date. (As at 31st March 2024 : 5,863 nos).

c. The term loans include loans given to related parties (refer note 42) and these loans which have been granted to related parties are specified with terms or period of repayment. These loans have been classified under stage 1 category at the various reporting periods and related impairment provision as per the Group's accounting policy has been created.

d. There is no divergence in asset classification and provisioning in the financial statement in the previous year assessed by RBI.

e. Percentage (%) of gold loan to total assets as on 31st March 2025 is 0.07%.

NOTE 9 Investments

S.No.	Description	As at 31st March 2025	As at 31st March 2024
A	**At cost:**		
a)	**Investment in Government securities**	282.12	93.46
B	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative instrument fund:**		
	60,000 units of Eight Innovate fund II (31st March 2024: 40,000)	5.38	4.00
b)	**Investment in Compulsory convertible debenture:**		
	25 (31st March 2024 : 25) 0.001% compulsorily convertible debentures of ₹1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**287.75**	**97.71**
	(i) Investments outside India	-	-
	(ii) Investments in India	287.75	97.71
	Total	**287.75**	**97.71**
	Less: Impairment loss allowance (B)	-	-
	Total - Net = (A) - (B)	**287.75**	**97.71**

(All amounts in ₹ crore unless otherwise stated)

NOTE 10 Other financial assets

S.No.	Description	As at 31st March 2025	As at 31st March 2024
	At amortised cost:		
a)	Employees related receivables	18.06	14.00
b)	Security deposit for leased premises	13.29	11.17
c)	Other financial assets - Non related parties	5.34	6.04
d)	Deposit with service providers	2.12	2.65
	Total - Gross	**38.81**	**33.86**
	Less: Impairment loss allowance	10.56	8.84
	Total - Net	**28.25**	**25.02**

NOTE 11 Current tax assets

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Opening balance	19.81	(9.59)
b)	Add: Taxes paid	315.30	337.27
c)	Less: Taxes payable	(324.07)	(307.87)
	Total - Net	**11.04**	**19.81**

NOTE 12 Deferred tax assets/(liabilities)

The balance comprises temporary differences attributable to:

S.No.	Description	As at 31st March 2023	Charge/ (Credit) to profit and loss	Charge/ (Credit) to OCI	As at 31st March 2024	Charge/ (Credit) to profit and loss	Charge/ (Credit) to OCI	As at 31st March 2025
	Deferred tax assets/(liabilities) on account of :							
a)	Impairment allowance for financial instruments	175.16	48.82	-	223.98	16.90	-	240.88
b)	Difference between depreciation as per books of account and the Income Tax Act, 1961	4.84	0.04	-	4.88	1.44	-	6.32
c)	Provision for compensated absences and gratuity	11.81	1.13	2.27	15.21	(5.92)	2.48	11.77
d)	Provision for pension	2.46	0.18	0.19	2.83	0.20	0.20	3.23
e)	Expenses disallowed under Sec 40 (a) (ia)	22.50	24.16	-	46.66	16.87	-	63.53
f)	Impact of effective interest rate adjustment on financial assets	4.90	43.52	-	48.42	35.84	-	84.26
g)	Mark to market on derivatives	(6.50)	-	4.52	(1.98)	-	2.39	0.41
h)	Impact of effective interest rate adjustment on financial liabilities	(2.82)	(0.42)	-	(3.24)	(0.09)	-	(3.33)
i)	Impact of lease accounting as per Ind AS 116	1.10	0.10	-	1.20	0.37	-	1.57
	Total tax assets/(liabilities)	**213.45**	**117.53**	**6.98**	**337.96**	**65.61**	**5.07**	**408.64**

(All amounts in ₹ crore unless otherwise stated)

NOTE 13 Investment property

Description	Land	Building	Total
As at 31st March 2025			
Gross carrying amount as at 1st April 2024	85.16	-	85.16
Additions	-	-	-
Sub-total	**85.16**	**-**	**85.16**
Disposals	-	-	-
Closing gross carrying amount (A)	**85.16**	**-**	**85.16**
Depreciation and amortisation			
Opening accumulated depreciation	-	-	-
Depreciation/amortisation charge for the year	-		-
Sub-total	**-**	**-**	**-**
Disposals	-	-	-
Closing accumulated depreciation and amortisation(B)	**-**	**-**	**-**
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**	**-**	**85.16**
Net carrying value as at 31st March 2024	**85.16**	**-**	**85.16**

Description	Land	Building	Total
As at 31st March 2024			
Gross carrying amount as at 1st April 2023	85.16	0.00	85.16
Additions	-	-	-
Sub-total	**85.16**	-	**85.16**
Disposals	-	-	-
Closing gross carrying amount (A)	**85.16**	-	**85.16**
Depreciation and amortisation			
Opening accumulated depreciation	-		-
Depreciation/amortisation charge for the year	-	-	-
Sub-total	**-**	**-**	**-**
Disposals	-	-	-
Closing accumulated depreciation and amortisation(B)	-	-	-
Net carrying value as at 31st March 2024 (A)-(B)	**85.16**	-	**85.16**

(i) Fair value

	As at 31st March 2025	As at 31st March 2024
Investment properties	422.11	411.15

a) The fair value of the investment property is based on the independent valuation obtained by the Parent Company.
b) The title deed of the investment property is in the name of the Parent Company.

(ii) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
Investment property as at 31st March 2025	Professional valuer	Per/Acre	15,40,00,000 per acre	5%	15.40	21.11
Investment property as at 31st March 2024	Professional valuer	Per/Acre	15,00,00,000 per acre	5%	15.00	20.56

(All amounts in ₹ crore unless otherwise stated)

NOTE 14 (A) Property, plant and equipment and intangible assets

Description	Property, plant and equipment						Right-to-use Asset	Intangible Assets (Computer Software)
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Total		
As at 31st March 2025								
Gross carrying amount as at 1st April 2024	48.49	19.82	16.49	1.49	-	86.29	62.96	20.51
Additions and adjustments on account of modification	12.00	3.58	11.25	-	6.00	32.83	59.48	1.29
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-
Sub-total	**60.49**	**23.40**	**27.74**	**1.49**	**6.00**	**119.12**	**122.44**	**21.80**
Disposals	0.26	0.20	2.24	-	-	2.70	-	-
Closing gross carrying amount (A)	**60.23**	**23.20**	**25.50**	**1.49**	**6.00**	**116.42**	**122.44**	**21.80**
Depreciation and amortisation								
Opening accumulated depreciation	27.95	10.84	11.29	0.29	-	50.37	36.38	17.57
Depreciation/amortisation charge for the year	14.72	2.59	5.35	0.19	0.78	23.63	20.87	1.70
Sub-total	**42.67**	**13.43**	**16.64**	**0.48**	**0.78**	**74.00**	**57.25**	**19.27**
Disposals	0.25	0.19	2.22	-	-	2.66	-	-
Closing accumulated depreciation and amortisation(B)	**42.42**	**13.24**	**14.42**	**0.48**	**0.78**	**71.34**	**57.25**	**19.27**
Net carrying value as at 31st March 2025(A)-(B)	**17.81**	**9.96**	**11.08**	**1.01**	**5.21**	**45.07**	**65.19**	**2.53**
Net carrying value as at 31st March 2024	**20.54**	**8.98**	**5.20**	**1.20**	**-**	**35.92**	**26.58**	**2.94**

Description	Property, plant and equipment						Right-to-use Asset	Intangible Assets (Computer Software)
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Total		
As at 31st March 2024								
Gross carrying Amount as at 1st April 2023	43.10	13.26	15.45	1.49	-	73.30	56.86	18.37
Additions and adjustments on account of modification	14.05	7.52	3.19	-	-	24.75	6.10	2.14
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-
Sub-total	**57.15**	**20.78**	**18.64**	**1.49**	**-**	**98.05**	**62.96**	**20.51**
Disposals	8.66	0.96	2.15	-	-	11.77	-	-
Closing gross carrying amount (A)	**48.49**	**19.82**	**16.49**	**1.49**	**-**	**86.28**	**62.96**	**20.51**
Depreciation and amortisation								
Opening accumulated depreciation	23.32	9.77	10.87	0.10	-	44.06	28.13	16.42
Depreciation/amortisation charge for the year	13.27	1.97	2.56	0.19	-	17.99	8.25	1.15
Sub-total	**36.59**	**11.74**	**13.43**	**0.29**	**-**	**62.05**	**36.38**	**17.57**
Disposals	8.64	0.90	2.14	-	-	11.69	-	-
Closing accumulated depreciation and amortisation(B)	**27.95**	**10.84**	**11.29**	**0.29**	**-**	**50.36**	**36.38**	**17.57**
Net carrying value as at 31st March 2024(A)-(B)	**20.54**	**8.98**	**5.20**	**1.20**	**-**	**35.92**	**26.58**	**2.94**

The Group follows cost model as per Ind AS 16 and the Group has not revalued its PPE (including right-to-use asset).

There are no proceedings that have been initiated or pending against the Group for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1998 and rules made thereunder.

(All amounts in ₹ crore unless otherwise stated)

NOTE 14 (B) Capital work-in-progress and intangible assets under development

The Group discloses property, plant and equipment that are not ready for use as Capital work-in-progress. These are carried at cost, comprising direct cost and related incidental expenses. Intangible assets not ready for their intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

Capital work-in-progress

Particulars	As at 31st March 2025	As at 31st March 2024
Opening balance	2.73	0.41
Additions	6.93	3.55
Deductions	7.26	1.23
Closing balance	**2.40**	**2.73**

Aging for capital work-in-progress

Particulars	As at	Amount in CWIP for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	31st March 2025	2.40	-	-	-	2.40
Projects in progress	31st March 2024	2.73	-	-	-	2.73

There are no projects temporarily suspended or projects whose completion is overdue or has exceeded its cost compared to its original plan.

Intangible assets under development

Particulars	As at 31st March 2025	As at 31st March 2024
Opening balance	3.18	1.17
Additions	8.32	5.70
Deductions	0.54	3.69
Closing balance	**10.96**	**3.18**

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	31st March 2025	8.04	2.92	-	-	10.96
Projects in progress	31st March 2024	3.18	-	-	-	3.18

There are no projects temporarily suspended or projects whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts in ₹ crore unless otherwise stated)

NOTE 15 Other non-financial assets

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Advances to dealers	0.17	0.31
b)	Prepaid expenses	33.00	22.43
c)	Vendor advances	12.97	28.07
d)	Balances with GST/ Service tax department	6.96	7.76
	Total	**53.10**	**58.57**

NOTE 16 Trade payables

S.No.	Description	As at 31st March 2025	As at 31st March 2024
(a)	Total outstanding dues of micro enterprises and small enterprises	9.35	14.19
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,081.98	1,035.09
	Total	**1,091.33**	**1,049.28**

NOTE 16.1 Trade payables (Ageing schedules)

The following schedules reflect ageing of trade payables with respect to the date of transactions

S.No.	Descriptions	Outstanding for following periods from due date of payment as at 31st March 2025				
		<1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed dues – MSME*	9.35	-	-	-	9.35
(ii)	Undisputed dues – Others	1081.81	0.09	0.08	-	1,081.98
(iii)	Disputed dues – MSME*	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-
	Total	**1091.16**	**0.09**	**0.08**	**-**	**1,091.33**

S.No.	Descriptions	Outstanding for following periods from due date of payment as at 31st March 2024				
		<1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed dues – MSME*	14.19	-	-	-	14.19
(ii)	Undisputed dues – Others	1,034.99	0.10	-	-	1,035.09
(iii)	Disputed dues – MSME*	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-
	Total	**1,049.18**	**0.10**	**-**	**-**	**1,049.28**

* Dues to micro, medium and small enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.

NOTE 16.2 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October 2006, certain disclosures are required to be made relating to micro, medium and small enterprises. On the basis of the information and records available with management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is Nil

(All amounts in ₹ crore unless otherwise stated)

NOTE 16 Trade payables (Contd.)

Particulars	As at 31st March 2025	As at 31st March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period:		
- Principal	9.35	14.19
- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 17 Debt securities

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost		
Commercial paper (Unsecured)	-	-
Non-Convertible debentures (Secured)	2,625.39	1,510.99
Total (A)	**2,625.39**	**1,510.99**
Debt securities in India	2,625.39	1,510.99
Debt securities outside India	-	-
Total (B)	**2,625.39**	**1,510.99**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost		
(a) Term loans (Secured)		
i) from banks	16,757.81	13,559.32
ii) from other parties	943.06	842.55
iii) external commercial borrowings	299.22	838.01
(b) Loans repayable on demand		
i) cash credit from banks (Secured)	0.03	0.09
ii) working capital demand loan (Secured)	1,792.35	3,376.84
iii) working capital demand loan (Unsecured)	-	426.96
Total (A)	**19,792.47**	**19,043.77**
Borrowings in India	19,493.25	18,205.76
Borrowings outside India	299.22	838.01
Total (B)	**19,792.47**	**19,043.77**

Period and amount of default: NIL (31st March 2024: NIL)

(All amounts in ₹ crore unless otherwise stated)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2025	As at 31st March 2024
At amortised cost - Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.57	103.57
(b) Other subordinated liabilities		
From banks	-	-
From others	2,165.74	2,109.39
Total (A)	**2,269.31**	**2,212.96**
Subordinated liabilities in India	2,269.31	2,212.96
Subordinated liabilities outside India	-	-
Total (B)	**2,269.31**	**2,212.96**

Period and amount of default: NIL (31st March 2024: NIL)

a. Refer Annexure for the terms of the debt securities, borrowings and subordinated liabilities.
b. The Group has utilised the borrowed funds for the purposes for which the fund is obtained.
c. The Group has not been declared willful defaulter by any Bank or financial Institution or other lender.
d. There are no charges or satisfaction yet to be registered with ROC beyond the statutory time period.
e. There are no unhedged foreign currency exposures.
f. The Group has not breached any covenant of loan availed or debt securities issued.
g. Change in liabilities arising from financing activities

Particulars	As at 1st April 2024	Cash flows	Exchange differences	Other*	As at 31st March 2025
Debt securities	1,510.99	1,100.00	-	14.40	2,625.39
Borrowings other than debt securities	19,043.77	821.98	(82.64)	9.36	19,792.47
Subordinated liabilities	2,212.96	50.00	-	6.34	2,269.31
Total	**22,767.72**	**1,971.98**	**(82.64)**	**30.10**	**24,687.17**

Particulars	As at 1st April 2023	Cash flows	Exchange differences	Other*	As at 31st March 2024
Debt securities	2,658.80	(1,175.00)	-	27.19	1,510.99
Borrowings other than debt securities	14,568.48	4,537.97	(62.06)	(0.63)	19,043.77
Subordinated liabilities	1,798.27	400.38	-	14.33	2,212.96
Total	**19,025.55**	**3,763.35**	**(62.06)**	**40.89**	**22,767.72**

* (i) Other column represents the amortisation of processing fees and movement in interest accrued but not due
(ii) Liabilities represents debt securities, borrowings(other than debt securities) and subordinated liabilities

(All amounts in ₹ crore unless otherwise stated)

Annexure

Terms of the debt securities, borrowings and subordinated liabilities as at 31st March 2025

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Debt securities								
Non Convertible Debentures	833.78	Secured	8.30%	2	2	Bullet	14-08-2025	12-09-2025
Non Convertible Debentures	237.83	Secured	8.15%	1	1	Bullet	26-06-2026	26-06-2026
Non Convertible Debentures	516.09	Secured	8.35%	2	2	Bullet	29-10-2026	29-10-2027
Non Convertible Debentures	534.75	Secured	8.25%	2	2	Bullet	31-12-2026	31-12-2027
Non Convertible Debentures	502.94	Secured	8.25%	3	3	Bullet	03-03-2027	03-03-2028
	2,625.39							
Loan repayable on demand	1,792.38	Secured	7.50% - 7.82%	Repayable on demand				
	1,792.38							
Term loan								
Bank	66.26	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	66.67	Secured	7.74%	15	10	Quarterly	31-03-2024	01-10-2027
Bank	59.67	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	90.00	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	60.00	Secured	7.59%	10	3	Quarterly	30-09-2023	31-12-2025
Bank	99.99	Secured	7.00%	10	2	Quarterly	30-04-2023	30-07-2025
Bank	99.38	Secured	7.95%	15	15	Quarterly	30-06-2025	31-12-2028
Bank	76.92	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	153.85	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	76.92	Secured	7.45%	39	30	Monthly	31-07-2024	30-09-2027
Bank	337.91	Secured	7.45%	39	33	Monthly	15-10-2024	15-12-2027
Bank	411.93	Secured	8.25%	11	9	Quarterly	01-10-2024	01-04-2027
Bank	206.28	Secured	8.35%	16	11	Quarterly	29-03-2024	29-12-2027
Bank	291.73	Secured	8.35%	12	10	Quarterly	30-12-2024	30-09-2027
Bank	124.95	Secured	8.35%	12	10	Quarterly	30-12-2024	30-09-2027
Bank	75.00	Secured	7.87%	6	3	Half Yearly	29-02-2024	31-08-2026
Bank	72.33	Secured	7.10%	16	10	Quarterly	27-12-2023	26-09-2027
Bank	62.84	Secured	7.25%	13	8	Quarterly	26-03-2024	27-03-2027
Bank	278.05	Secured	6.39%	10	9	Quarterly	30-03-2025	30-06-2027
Bank	219.44	Secured	6.39%	26	19	Monthly	30-06-2024	28-07-2026
Bank	232.19	Secured	6.71%	11	10	Quarterly	29-03-2025	29-09-2027
Bank	149.42	Secured	6.71%	27	22	Monthly	29-09-2024	30-01-2027

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	255.45	Secured	6.89%	13	11	Quarterly	30-12-2024	27-12-2027
Bank	178.58	Secured	6.89%	27	25	Monthly	30-12-2024	27-04-2027
Bank	351.96	Secured	6.60%	13	13	Quarterly	31-05-2025	29-05-2028
Bank	146.00	Secured	6.60%	31	30	Monthly	31-03-2025	27-09-2027
Bank	125.70	Secured	7.25%	12	3	Quarterly	23-03-2023	21-01-2026
Bank	27.19	Secured	7.60%	37	10	Monthly	02-02-2023	21-01-2026
Bank	20.13	Secured	7.75%	12	4	Quarterly	20-05-2023	21-03-2026
Bank	29.39	Secured	7.75%	37	12	Monthly	20-03-2023	21-03-2026
Bank	125.67	Secured	7.25%	12	4	Quarterly	30-06-2023	28-04-2026
Bank	317.88	Secured	7.10%	16	9	Quarterly	30-09-2023	29-06-2027
Bank	105.89	Secured	7.10%	16	9	Quarterly	30-09-2023	29-06-2027
Bank	241.35	Secured	7.10%	16	10	Quarterly	27-12-2023	26-09-2027
Bank	251.25	Secured	7.15%	13	8	Quarterly	29-02-2024	01-03-2027
Bank	13.64	Secured	5.60%	37	1	Monthly	30-04-2022	29-04-2025
Bank	81.61	Secured	6.35%	37	4	Monthly	29-07-2022	28-07-2025
Bank	249.99	Secured	8.00%	1	1	Bullet	29-09-2025	29-09-2025
Bank	249.96	Secured	8.00%	1	1	Bullet	30-06-2026	30-06-2026
Bank	299.92	Secured	8.10%	1	1	Bullet	26-09-2027	26-09-2027
Bank	100.70	Secured	8.40%	10	2	Quarterly	02-06-2023	02-09-2025
Bank	20.19	Secured	8.40%	10	2	Quarterly	29-06-2023	29-09-2025
Bank	80.83	Secured	8.40%	10	2	Quarterly	01-07-2023	01-10-2025
Bank	181.37	Secured	8.40%	10	9	Quarterly	29-03-2025	29-06-2027
Bank	503.44	Secured	8.30%	10	10	Quarterly	30-09-2025	30-12-2027
Bank	90.39	Secured	7.52%	10	6	Quarterly	29-04-2024	29-07-2026
Bank	60.27	Secured	7.52%	10	6	Quarterly	29-04-2024	29-07-2026
Bank	164.71	Secured	7.76%	11	9	Quarterly	26-11-2024	26-05-2027
Bank	175.76	Secured	7.65%	10	7	Quarterly	20-07-2024	20-10-2026
Bank	69.23	Secured	6.85%	13	9	Quarterly	30-06-2024	30-06-2027
Bank	262.50	Secured	7.72%	8	7	Quarterly	11-03-2025	08-12-2026
Bank	400.36	Secured	8.10%	1	1	Bullet	29-05-2026	29-05-2026
Bank	33.30	Secured	8.30%	12	8	Quarterly	30-06-2024	31-03-2027
Bank	100.00	Secured	8.30%	12	8	Quarterly	30-06-2024	31-03-2027
Bank	150.01	Secured	8.30%	10	7	Quarterly	30-09-2023	31-12-2025
Bank	249.97	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026
Bank	120.03	Secured	8.50%	10	6	Quarterly	30-04-2024	31-07-2026
Bank	50.01	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	100.02	Secured	8.50%	10	5	Quarterly	31-03-2024	30-06-2026
Bank	291.67	Secured	8.50%	12	7	Quarterly	29-02-2024	30-11-2026
Bank	416.68	Secured	8.50%	12	10	Quarterly	31-12-2024	30-09-2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	28-02-2025	30-11-2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	31-03-2025	31-12-2027
Bank	39.99	Secured	8.00%	10	2	Quarterly	30-06-2023	30-09-2025
Bank	90.02	Secured	8.05%	10	3	Quarterly	31-07-2023	31-10-2025
Bank	31.46	Secured	7.84%	8	1	Quarterly	20-07-2023	20-04-2025
Bank	167.72	Secured	7.84%	12	4	Quarterly	10-05-2023	10-02-2026
Bank	66.81	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	335.79	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	134.31	Secured	7.69%	12	8	Quarterly	27-06-2024	27-03-2027
Bank	752.57	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	251.77	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	1,007.09	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	1,000.69	Secured	8.30%	15	15	Quarterly	29-05-2025	29-11-2028
Bank	245.44	Secured	8.45%	11	9	Quarterly	26-12-2024	26-06-2027
Bank	272.79	Secured	8.45%	11	10	Quarterly	30-01-2025	30-07-2027
Bank	363.72	Secured	8.45%	11	10	Quarterly	28-02-2025	31-08-2027
Bank	500.02	Secured	8.05%	11	11	Quarterly	30-06-2025	31-12-2027
Bank	500.11	Secured	8.05%	11	11	Quarterly	30-09-2025	31-03-2028
Others	231.41	Secured	8.32%	43	33	Monthly	10-06-2024	10-12-2027
Others	334.87	Secured	8.07%	12	9	Quarterly	10-06-2024	10-03-2027
Others	376.78	Secured	7.78%	12	9	Quarterly	10-08-2024	10-05-2027
Bank-ECB	299.22	Secured	7.77%	1	1	Bullet	27-03-2028	27-03-2028
Total	**18,000.09**							
Subordinated liabilities								
Perpetual debt	103.57	Unsecured	11.50%	1	1	Bullet	25-11-2027	25-11-2027
Other subordinated liabilities:								
Others	154.27	Unsecured	9.40%	1	1	Bullet	10-06-2026	10-06-2026
Others	151.35	Unsecured	9.40%	1	1	Bullet	26-08-2026	26-08-2026
Others	101.91	Unsecured	8.85%	1	1	Bullet	02-06-2027	02-06-2027
Others	359.39	Unsecured	8.85%	1	1	Bullet	11-06-2027	11-06-2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18-01-2028	18-01-2028
Others	324.01	Unsecured	9.50%	1	1	Bullet	31-01-2028	31-01-2028

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2025	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Others	201.19	Unsecured	9.35%	1	1	Bullet	29-08-2028	29-08-2028
Others	512.31	Unsecured	9.30%	1	1	Bullet	27-06-2029	27-06-2029
Others	157.63	Unsecured	9.38%	1	1	Bullet	24-04-2030	24-04-2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01-07-2026	01-07-2026
Total	**2,165.74**							
Subordinated liabilities total	**2,269.31**							

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Debt securities								
Non Convertible Debentures	834.02	Secured	8.30%	2	2	Bullet	14-08-2025	12-09-2025
Non Convertible Debentures	439.05	Secured	8.15%	2	2	Bullet	19-09-2024	18-10-2024
Non Convertible Debentures	237.92	Secured	8.40%	1	1	Bullet	26-06-2026	26-06-2026
	1,510.99							
Loan repayable on demand	3,376.93	Secured	7.70% - 8.71%	Repayable on demand				
	426.96	Unsecured						
	3,803.89							
Term loan								
Bank	62.48	Secured	6.30%	8	2	Quarterly	31-12-2022	30-09-2024
Bank	124.99	Secured	6.30%	8	4	Quarterly	31-05-2023	28-02-2025
Bank	299.96	Secured	7.00%	10	6	Quarterly	30-04-2023	30-07-2025
Bank	489.04	Secured	7.59%	10	7	Quarterly	30-09-2023	31-12-2025
Bank	746.04	Secured	8.34%	15	14	Quarterly	31-03-2024	01-10-2027
Bank	99.22	Secured	7.70%	39	39	Monthly	31-07-2024	30-09-2027
Bank	499.91	Secured	8.25%	11	11	Quarterly	01-10-2024	01-04-2027
Bank	281.26	Secured	8.30%	16	15	Quarterly	29-03-2024	29-12-2027
Bank	125.01	Secured	7.94%	4	2	Quarterly	30-11-2023	31-08-2024
Bank	299.95	Secured	8.35%	14	14	Quarterly	31-08-2024	30-11-2027
Bank	200.14	Secured	7.00%	1	1	Bullet	27-10-2024	27-10-2024
Bank	400.32	Secured	8.10%	1	1	Bullet	29-05-2026	29-05-2026
Bank	124.99	Secured	8.26%	5	5	Half Yearly	29-02-2024	31-08-2026
Bank	42.03	Secured	7.75%	36	3	Monthly	25-07-2021	24-06-2024
Bank	83.94	Secured	7.50%	36	6	Monthly	28-10-2021	27-09-2024
Bank	63.02	Secured	8.27%	36	9	Monthly	31-01-2022	30-12-2024

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Bank	176.46	Secured	5.60%	37	13	Monthly	30-04-2022	29-04-2025
Bank	326.12	Secured	6.35%	37	16	Monthly	29-07-2022	28-07-2025
Bank	293.14	Secured	7.25%	12	7	Quarterly	23-03-2023	21-01-2026
Bank	59.72	Secured	7.60%	37	22	Monthly	02-02-2023	21-01-2026
Bank	40.26	Secured	7.75%	12	8	Quarterly	20-05-2023	21-03-2026
Bank	58.77	Secured	7.75%	37	24	Monthly	20-03-2023	21-03-2026
Bank	251.06	Secured	7.25%	12	8	Quarterly	30-06-2023	28-04-2026
Bank	459.37	Secured	7.10%	16	13	Quarterly	30-09-2023	29-06-2027
Bank	152.58	Secured	7.10%	16	13	Quarterly	30-09-2023	29-06-2027
Bank	337.83	Secured	7.10%	16	14	Quarterly	27-12-2023	26-09-2027
Bank	101.29	Secured	7.54%	16	14	Quarterly	27-12-2023	26-09-2027
Bank	376.84	Secured	7.15%	16	15	Quarterly	29-02-2024	30-11-2027
Bank	94.23	Secured	7.15%	16	15	Quarterly	26-03-2024	27-12-2027
Bank	749.41	Secured	7.10%	13	13	Quarterly	30-12-2024	30-09-2026
Bank	249.95	Secured	8.25%	1	1	Bullet	29-09-2025	29-09-2025
Bank	249.90	Secured	8.25%	1	1	Bullet	30-06-2026	30-06-2026
Bank	60.48	Secured	8.50%	10	6	Quarterly	29-06-2023	29-09-2025
Bank	302.10	Secured	8.50%	10	6	Quarterly	01-07-2023	01-10-2025
Bank	241.73	Secured	8.50%	10	6	Quarterly	01-07-2023	01-10-2025
Bank	100.01	Secured	7.28%	10	5	Quarterly	31-01-2023	30-04-2025
Bank	249.96	Secured	8.08%	10	10	Quarterly	29-04-2024	29-07-2026
Bank	249.96	Secured	8.20%	10	10	Quarterly	20-07-2024	20-10-2026
Bank	99.99	Secured	7.10%	13	13	Quarterly	30-06-2024	30-06-2027
Bank	299.97	Secured	8.15%	8	8	Quarterly	11-03-2025	08-12-2026
Bank	119.96	Secured	8.03%	10	6	Quarterly	31-07-2023	31-10-2025
Bank	210.03	Secured	8.03%	10	7	Quarterly	31-07-2023	31-10-2025
Bank	349.99	Secured	8.65%	10	7	Quarterly	30-09-2023	30-12-2025
Bank	719.94	Secured	8.35%	10	9	Quarterly	31-03-2024	30-06-2026
Bank	200.03	Secured	8.35%	10	10	Quarterly	30-04-2024	31-07-2026
Bank	458.30	Secured	8.35%	12	11	Quarterly	29-02-2024	30-11-2026
Bank	49.94	Secured	8.30%	12	12	Quarterly	30-06-2024	31-03-2027
Bank	125.89	Secured	8.40%	8	4	Quarterly	23-06-2023	23-03-2025
Bank	157.44	Secured	8.40%	8	5	Quarterly	20-07-2023	20-04-2025
Bank	335.58	Secured	8.40%	12	8	Quarterly	10-05-2023	10-02-2026
Bank	1,006.73	Secured	8.25%	12	12	Quarterly	27-06-2024	27-03-2027
Bank	301.83	Secured	8.25%	1	1	Bullet	27-03-2025	27-03-2025

(All amounts in ₹ crore unless otherwise stated)

Institution	Amount outstanding as at 31st March 2024	Type of security	Interest rate	Total instalment	No. of instalments remaining	Frequency	Repayable from	Repayable to
Others	301.58	Secured	8.00%	43	43	Monthly	10-06-2024	10-12-2027
Others	500.97	Secured	8.25%	12	12	Quarterly	10-06-2024	10-03-2027
Others	40.23	Secured	7.85%	5	1	Quarterly	05-05-2023	30-04-2024
Bank-ECB	838.01	Secured	6.92%	1	1	Bullet	02-12-2024	02-12-2024
	15,239.88							
Subordinated liabilities								
Perpetual debt	103.57	Unsecured	11.50%	1	1	Bullet	25-11-2027	25-11-2027
Other subordinated liabilities:								
Others	101.75	Unsecured	10.90%	1	1	Bullet	07-08-2024	07-08-2024
Others	152.95	Unsecured	9.40%	1	1	Bullet	10-06-2026	10-06-2026
Others	150.26	Unsecured	9.40%	1	1	Bullet	26-08-2026	26-08-2026
Others	101.92	Unsecured	8.85%	1	1	Bullet	02-06-2027	02-06-2027
Others	359.56	Unsecured	8.85%	1	1	Bullet	11-06-2027	11-06-2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18-01-2028	18-01-2028
Others	324.79	Unsecured	9.50%	1	1	Bullet	31-01-2028	31-01-2028
Others	201.89	Unsecured	9.35%	1	1	Bullet	29-08-2028	29-08-2028
Others	512.57	Unsecured	9.30%	1	1	Bullet	27-06-2029	27-06-2029
Others	102.24	Unsecured	10.00%	1	1	Bullet	01-07-2026	01-07-2026
Total	**2,109.39**							
Subordinated liabilities total	**2,212.96**							

Details of security

i) Non convertible debentures of ₹ 2,625 crore inclusive of current and non-current dues (As at 31st March 2024 ₹ 1,511 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Group.

ii) Term loan received from banks and other parties of ₹ 18,000 crore inclusive of current and non-current dues (As at 31st March 2024 ₹ 15,240 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Group.

iii) Working capital demand loan and cash credit of ₹ 1,792 crore (As at 31st March 2024 ₹3,377 crore) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Group.

(All amounts in ₹ crore unless otherwise stated)

NOTE 20 Other financial liabilities

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Employee related liabilities	134.41	166.04
b)	Security deposit	15.51	137.23
c)	Lease liability (refer note 41)	71.43	31.36
	Total	**221.35**	**334.63**

NOTE 21 Provisions

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Pension (refer note 37)	12.70	11.23
b)	Gratuity (refer note 37)	3.60	0.57
c)	Compensated absences (refer note 37)	43.28	55.79
	Total	**59.58**	**67.59**

NOTE 22 Other non-financial liabilities

S.No.	Description	As at 31st March 2025	As at 31st March 2024
a)	Statutory dues	42.87	52.84
	Total	**42.87**	**52.84**

NOTE 23 Equity share capital

a) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. Repayment of capital will be in proportion to the number of equity shares held.

b) Terms/Rights attached to Compulsory convertible preference shares

The Group has only one class of compulsory convertible preference shares having a par value of ₹ 10 per share which shall convert into one equity share as laid out in the agreement . Upon conversion into equity shares, the shareholder shall be entitled to participate in the dividend on equity shares on pari passu basis along with holders of other equity shares.

S.No.	Description	As at 31st March 2025	As at 31st March 2024
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2024 : 300,000,000) equity shares of ₹10 each	300.00	300.00
	20,000,000 (As at 31st March 2024 : 20,000,000) 0.001% Compulsorily convertible preference shares of ₹10 each	20.00	20.00
	Total	**320.00**	**320.00**
d)	**Issued, subscribed and paid-up:**		
	Equity Share:		
	236,272,706 (As at 31st March 2024 : 228,223,926) equity shares of ₹10 each	236.27	228.22
	Total	**236.27**	**228.22**
	Instruments entirely equity in nature:		
	18,384,684 (As at 31st March 2024: 18,384,684) 0.001% Compulsorily convertible preference shares of ₹10 each	18.38	18.38
	Total	**18.38**	**18.38**

(All amounts in ₹ crore unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

e) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity share:

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	22,82,23,926	228.22	22,82,23,926	228.22
Add: Issued during the year*	80,48,780	8.05	-	-
At the end of the year	**23,62,72,706**	**236.27**	**22,82,23,926**	**228.22**

* On 28th June 2024, the Group through preferential issue on private placement basis allotted 80,48,780 equity shares to eligible buyers at a price of ₹410 per equity share of ₹10 face value (inclusive of premium of ₹400 per share) aggregating to approximately ₹330 crore.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,83,84,684	18.38	-	-
Add: Issued during the year	-	-	1,83,84,684	18.38
At the end of the year	**1,83,84,684**	**18.38**	**1,83,84,684**	**18.38**

f) Shares held by holding companies:

Particulars	As at 31st March 2025	As at 31st March 2024
Equity shares:		
TVS Motor Company Limited	20,23,19,089	19,54,24,754
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	31,69,773	31,69,773

g) Number of shares held by share holders more than 5% of total shares as at the end of the year

Name of the Shareholders	As at 31st March 2025		As at 31st March 2024	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares:				
TVS Motor Company Limited	20,23,19,089	85.63%	19,54,24,754	85.63%
PI Opportunities Fund I Scheme II	1,22,72,143	5.19%	1,14,03,378	5.00%
0.001% Compulsorily convertible preference shares:				
TVS Motor Company Limited	31,69,773	17.24%	31,69,773	17.24%
PI Opportunities Fund I Scheme II	1,52,14,911	82.76%	1,52,14,911	82.76%

h) Shares held by promoters at the end of year

Promoter Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	20,23,19,089	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	31,69,773	17.24%	0.00%

(All amounts in ₹ crore unless otherwise stated)

NOTE 24 Other equity

Description	As at 31st March 2025	As at 31st March 2024
a) Securities premium	2,196.14	1,874.19
b) Statutory reserves	509.85	356.40
c) Share based payment reserve	0.27	-
d) Retained earnings	1,992.52	1,385.86
e) Other reserves-Hedging reserve	(1.23)	5.89
Total reserves and surplus	**4,697.55**	**3,622.34**

Description	As at 31st March 2025	As at 31st March 2024
a) Securities premium		
Opening balance	1,874.19	1,336.35
Additions during the year	321.95	537.84
Deductions/Adjustments during the year	-	-
Closing balance	**2,196.14**	**1,874.19**

Description	As at 31st March 2025	As at 31st March 2024
b) Statutory reserves		
Opening balance	356.40	242.03
Transfer from retained earnings	153.45	114.37
Deductions/Adjustments during the year	-	-
Closing balance	**509.85**	**356.40**

Description	As at 31st March 2025	As at 31st March 2024
c) Share based payment reserve		
Opening balance	-	-
Share based payment expense during the year	0.27	-
Closing balance	**0.27**	**-**

Description	As at 31st March 2025	As at 31st March 2024
d) Retained earnings		
Opening balance	1,385.86	934.94
Net profit for the year	768.07	572.56
Items of other comprehensive income recognised directly in retained Earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(7.96)	(7.28)
Transfer to statutory reserve	(153.45)	(114.37)
Closing balance	**1,992.52**	**1,385.86**

Description	As at 31st March 2025	As at 31st March 2024
e) Other reserves - Hedging reserve		
Opening balance	5.89	19.32
Add: Change in fair value of hedging instruments, net off tax for the year	(6.65)	(13.43)
Add: Fair value gain/(loss) on financial instruments through other comprehensive income	(0.47)	-
Closing balance	**(1.23)**	**5.89**

Securities premium

The reserve represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

(All amounts in ₹ crore unless otherwise stated)

Statutory reserves:

According to Section 45 - IC of the Reserve Bank of India Act, 1934, the Group transfers a sum not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before declaration of any dividend to the statutory reserves.

Retained earnings:

Represents Group's cumulative undistributed earnings since its inception. This is available for distribution to shareholders through dividends/capitalisation.

Share based payment reserve:

It is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Parent Company for its employees.

Other reserve-Hedging reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

NOTE 25 Interest income

Description	Year ended 31st March 2025	Year ended 31st March 2024
On financial assets measured at amortised cost:		
Interest on loans	5,774.29	5,048.52
Interest on deposits with bank	17.33	64.98
Interest on Government securities	6.79	0.05
Total	**5,798.41**	**5,113.55**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Fee-based income	525.12	408.18
Service income	211.34	183.87
Total	**736.46**	**592.05**

NOTE 27 Net gain on fair value changes on financial instruments

Description	Year ended 31st March 2025	Year ended 31st March 2024
Net gain on fair value changes on FVTPL - Realised	92.32	-
Net gain on fair value changes on FVTPL - Unrealised	-	-
Total	**92.32**	**-**

NOTE 28 Other operating income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Realisation on sale of written off and stressed loans	-	85.09
Total	**-**	**85.09**

NOTE 29 Other income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Unwinding of discount on security deposits and receivable for investments	0.97	0.95
Other non-operating income	0.44	3.88
Interest on Income tax refund	2.52	0.64
Total	**3.93**	**5.47**

(All amounts in ₹ crore unless otherwise stated)

NOTE 30 Finance costs

Description	Year ended 31st March 2025	Year ended 31st March 2024
Interest expense on financial liabilities measured at amortised cost:		
- Interest on borrowings (other than debt securities)	1,476.13	1,253.76
- Interest on debt securities	169.54	216.98
- Interest on subordinated liabilities	203.74	172.23
Other interest expense:		
- Interest on lease liabilities	6.12	2.82
- Others	7.79	7.85
Total	**1,863.32**	**1,653.64**

NOTE 31 Impairment of financial instruments

Description	Year ended 31st March 2025	Year ended 31st March 2024
On financial instruments measured at amortised cost		
Bad debts written off (net)	940.98	633.57
Net loss on sale of repossessed assets	410.38	274.09
Impairment provision on loans	(57.20)	217.01
Impairment provision on trade receivables and other financial assets	1.20	2.38
Total	**1,295.36**	**1,127.05**

NOTE 32 Employee benefit expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Salaries and wages	1,019.56	1,051.73
Contribution to provident and other funds	56.86	53.91
Gratuity expenses (refer note 37)	6.87	5.10
Share based payments to employees	0.27	-
Staff welfare expenses	52.02	90.04
Total	**1,135.58**	**1,200.78**

NOTE 33 Other expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Rent, taxes and energy costs (Refer note 41d))	39.71	34.31
Repairs and maintenance	18.31	17.26
Communication costs	97.21	128.83
Printing and stationery	1.59	6.05
Travelling and conveyance	46.13	81.01
Directors sitting fees & commission expenses	1.03	0.81
Legal and professional charges	92.50	140.60
Insurance expenses	0.90	0.39
Information technology expenses	106.16	88.96
Manpower support expenses	274.49	49.45
Brand royalty fees	24.96	15.60
Auditors fees and expenses*	0.74	0.67
Corporate social responsibility **	10.00	10.00
Donation	20.00	13.70
Others	3.26	6.91
Total	**736.97**	**594.55**

(All amounts in ₹ crore unless otherwise stated)

*Auditors fees and expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
Statutory audit	0.43	0.39
Limited review	0.13	0.12
Tax audit	0.08	0.08
Certification	0.05	0.04
Reimbursement of expenses	0.05	0.04
Auditors fees and expenses	**0.74**	**0.67**

** Expenditure incurred on corporate social responsibility activities:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(i) Amount required to be spent by the Group during the year	9.53	5.12
(ii) Amount of expenditure incurred	10.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities		
a. Expenses incurred through Trusts	10.00	10.00
Total	**10.00**	**10.00**

NOTE 34 Income tax expenses

Description	Year ended 31st March 2025	Year ended 31st March 2024
(a) Income tax expense:		
Current tax on profits for the year	324.07	307.87
Tax profits relating to prior period	-	-
Total current tax expense	**324.07**	**307.87**
Deferred tax		
Decrease/(increase) in deferred tax assets	(65.61)	(117.55)
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(65.61)**	**(117.55)**
Income tax expense for the year	**258.46**	**190.32**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,026.53	762.88
Tax at the Indian tax rate of 25.168% (Year ended 31st March 2024: 25.168%)	258.36	192.00
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	0.10	(1.68)
Income tax expense	**258.46**	**190.32**

(All amounts in ₹ crore unless otherwise stated)

NOTE 35 Other comprehensive income

Description	Year ended 31st March 2025	Year ended 31st March 2024
Items that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans	(10.64)	(9.72)
Income tax relating to these items	2.68	2.45
Items that will be reclassified to profit or loss		
Fair value change on cash flow hedge	(8.89)	(17.95)
Income tax relating to these items	2.24	4.52
Fair value gain/(loss) on financial instruments through other comprehensive income	(0.62)	-
Income tax relating to these items	0.16	-
Other comprehensive income	**(15.08)**	**(20.70)**

NOTE 36 Earnings per share

Description	Year ended 31st March 2025	Year ended 31st March 2024
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Group	30.39	23.93
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Group	30.39	23.93
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share:		
Profit attributable to equity holders of the company used in calculating basis earnings per share	768.07	572.56
Diluted earnings per share:		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	768.07	572.56
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,27,16,862	23,92,28,062
Effect of dilution:		
Employee stock options	2,782	-
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,27,19,644	23,92,28,062

(All amounts in ₹ crore unless otherwise stated)

NOTE 37 Employee benefit obligations

Defined benefit obligation

The Group provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised fund in India.

The Group operates defined benefit pension plan, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Particulars	Gratuity			Pension			Compensated Absences		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2023	**33.85**	**(36.16)**	**(2.31)**	**9.77**	**-**	**9.77**	**42.88**	**-**	**42.88**
Current service cost	5.38	-	5.38	-	-	-	-	-	-
Interest expense/(income)	2.54	(2.82)	(0.28)	0.74	-	0.74	3.28	-	3.28
Total amount recognised in profit or loss	**7.92**	**(2.82)**	**5.10**	**0.74**	**-**	**0.74**	**12.91**	**-**	**12.91**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.74	0.74	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.16	-	0.16	0.22	-	0.22	-	-	-
Experience (gains)/losses	8.10	-	8.10	0.50	-	0.50	-	-	-
Total amount recognised in other comprehensive (income)/Losses	**8.26**	**0.74**	**9.00**	**0.72**	**-**	**0.72**	**-**	**-**	**-**
Employer contributions	-	(11.22)	(11.22)	-	-	-	-	-	-
Benefit payments	(5.51)	5.51	-	-	-	-	-	-	-
As at 31st March 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**	**55.79**	**-**	**55.79**
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**	**55.79**	**-**	**55.79**
Current service cost	7.07	-	7.07	-	-	-	-	-	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	-	0.79	3.81	-	3.81
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**	**(12.51)**	**-**	**(12.51)**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.44	0.44	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.76	-	0.76	0.84	-	0.84	-	-	-
Experience (gains)/losses	8.76	-	8.76	(0.16)	-	(0.16)	-	-	-
Total amount recognised in other comprehensive (income)/losses	**9.52**	**0.44**	**9.96**	**0.68**	**-**	**0.68**	**-**	**-**	**-**
Employer contributions	-	(13.80)	(13.80)	-	-	-	-	-	-
Benefit payments	(7.14)	7.14	-	-	-	-	-	-	-
As at 31st March 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**	**43.28**	**-**	**43.28**

Details	Gratuity		Pension		Compensated Absences	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Discount rate	6.34%	6.95%	6.44%	6.95%	6.34%	6.95%
Salary growth rate	6.00%	6.00%	5.50%	5.50%	6.00%	6.00%
Attrition rate	36.00%	36.00%	0.00%	0.00%	36.00%	36.00%
Retirement age	58	58	60	60	58	58
Mortality inclusive of provision for disability	100% of indian assured lives mortality (IALM)					

(All amounts in ₹ crore unless otherwise stated)

NOTE 37 Employee benefit obligations (Contd.)

(i) Sensitivity analysis

FY 2024-25

Particulars	Gratuity			Pension			Compensated Absences		
	Change in assumption	Due to increase in assumption	Due to decrease in assumption	Change in assumption	Due to increase in assumption	Due to decrease in assumption	Change in assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	56.42	57.76	1.00%	11.45	14.18	0.50%	42.83	43.74
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38	0.50%	43.73	42.82
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81	5.00%	43.28	43.28
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70	5.00%	43.29	43.26
₹10,00,000 benefit ceiling	-	55.33	-	-	-	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-	-	-	-

FY 2023-24

Particulars	Gratuity			Pension			Compensated absences		
	Change in assumption	Due to increase in assumption	Due to decrease in assumption	Change in assumption	Due to increase in assumption	Due to decrease in assumption	Change in assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	44.00	45.03	1.00%	10.07	12.62	0.50%	55.22	56.37
Salary growth rate	0.50%	45.02	44.00	1.00%	12.69	10.00	0.50%	56.37	55.22
Mortality	5.00%	44.51	44.51	5.00%	11.15	11.32	5.00%	55.79	55.79

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	35.56
Expected benefits for year 2	26.70
Expected benefits for year 3	19.94
Expected benefits for year 4	14.43
Expected benefits for year 5	10.54
Expected benefits for year 6 and above	24.16
Total	**131.33**

(iii) Risk exposure:

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yield;

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings

(iv) Defined contribution plans:

The Group's contribution to defined contribution plan viz., provident fund and ESI, of ₹ 55.80 Crore (As at 31st March 2024: ₹ 52.56 Crore) has been recognised in the Statement of Profit and Loss.

(v) Category of plan assets

100% in insurer managed funds

(All amounts in ₹ crore unless otherwise stated)

NOTE 38 Fair value measurements

Financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy:

Particulars	Carrying amount		Fair value hierarchy	Fair value	
	31st March 2025	31st March 2024		31st March 2025	31st March 2024
Financial assets:					
Cash and cash equivalents	3,599.65	1,761.42	Level 3	3,599.65	1,761.42
Other bank balances	5.95	5.90	Level 3	5.95	5.90
Trade receivables	152.21	117.20	Level 3	152.21	117.20
Loans	26,298.84	25,470.24	Level 3	26,298.84	25,470.24
Investment in Government securities	282.12	93.46	Level 1	282.12	93.46
Other financial assets					
Employees related receivables	12.84	10.49	Level 3	12.84	10.49
Security deposit for leased premises	13.29	11.17	Level 3	13.29	11.17
Other financial assets - Non related parties	-	0.71	Level 3	-	0.71
Deposit with service providers	2.12	2.65	Level 3	2.12	2.65
Total	**30,367.02**	**27,473.24**		**30,367.02**	**27,473.24**
Financial liabilities					
Trade payables	1,091.33	1,049.28	Level 3	1,091.33	1,049.28
Debt securities	2,625.39	1,510.99	Level 2	2,625.39	1,510.99
Borrowings other than debt securities	19,792.47	19,043.77	Level 3	19,792.47	19,043.77
Subordinated liabilities	2,269.31	2,212.96	Level 2	2,269.31	2,212.96
Other financial liabilities	221.35	334.63	Level 3	221.35	334.63
Total	**25,999.85**	**24,151.63**		**25,999.85**	**24,151.64**

Financial assets and liabilities measured at fair value:

Particulars	Fair Value Hierarchy	31st March 2025	31st March 2024
Financial assets:			
Investment in Alternate investment fund	Level 3	5.38	4.00
Investment in Compulsory convertible debentures	Level 3	0.25	0.25
Derivative financial instruments	Level 2	-	90.67
Total financial assets		**5.63**	**94.92**
Financial liabilities:			
Derivative financial instruments	Level 2	2.24	-
Total financial liabilities		2.24	-

There were no transfers between any levels during the year.

(i) Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to un-observable inputs (level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes publicly traded derivatives and mutual funds that have a quoted price. The quoted market price used for financial assets held by the Group is the current bid price.

(All amounts in ₹ crore unless otherwise stated)

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. That is, level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Group develops level 3 inputs based on the best information available in the circumstances

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The Management assessed that cash and cash equivalents, bank balance other than cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.
- The majority of borrowings are floating rate borrowings, the carrying value is representative of the fair value.
- The fair values for advance to related parties and rent advance were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The fair value of forward foreign exchange contracts and cross currency interest rate swaps (CCIRS) is determined using forward exchange rates at the balance sheet date.

NOTE 39 Financial risk management

The Group's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations. The Group's financial liabilities comprise mainly borrowings from banks, debentures and commercial papers.

The Group is exposed to various risks such as credit risk, liquidity risk , foreign currency risks and interest rate risks.

The Board of Directors have the overall responsibility for the establishment of governance and oversight in relation to the Group's Risk management framework. The Board of Directors have established committees such as the Risk Management Committee and Asset Liability Committee for developing and monitoring the Group's risk management policies and treasury policies. The Committees reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the various risks faced by the Group, to set appropriate risk benchmarks limits and controls and to monitor risks and adherence to limits from time to time. The Risk management committee oversees how management monitors compliance with the risk management policies and procedures and other governance framework and reviews the adequacy of the risk management framework in relation to the various risks faced by the Group from time to time.

(A) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Group monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Group does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of expected credit loss (ECL).

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents the gross carrying value of assets as on each reporting date.

Particulars	31st March 2025	31st March 2024
Gross carrying value of loans		
Stage-1 (Up to 30 days)	25,066.77	24,357.57
Stage-2 (31-90 days)#	1,329.68	1,305.94
Stage-3 (More than 90 days)*	782.97	742.80
Total gross carrying value as of year end	**27,179.42**	**26,406.31**

Includes restructured contracts under one time resolution framework vide RBI circular dated 6th August, 2020 and RBI/2 021- 22/31/DOR. STR.REC.11 /21.04.048/2021-22 dated 5th May, 2021 even though days past due is less than and equal to 30 days on the reporting date.

* Includes restructured contracts under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP. BC.45/21.04.048/2018-19 dated 7th June 2019 irrespective of days past due on the reporting date.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial Risk Management (Contd.)

Other financial assets

Credit risk with respect to other financial assets are extremely low except "Other financial assets - non related parties". Based on the credit assessment the historical trend of low default is expected to continue. No provision for ECL has been created for Other financial Assets except full provision on "other financial assets - non related parties".

Credit quality

The Group has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Group categories loan assets into stages based on the days past due status:

— Stage 1: Up to 30 days past due

— Stage 2: 31-90 days past due

— Stage 3: More than 90 days past due

Assumptions considered in the ECL model

The Group has made the following assumptions in the ECL Model:

— "Loss given default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving loss rate. EIR has been taken as discount rate for all loans

Estimation technique

The Group has applied the following estimation technique in its ECL model :

— "Probability of default" (PD) is applied on stage 1 and stage 2 on portfolio basis and for stage 3 PD is 100%.

— Probability of default for stage 1 loan assets is calculated as average of historical trend from stage 1 to stage 3 in next 12 months.

— Probability of default for stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from stage 2 to stage 3 for the remaining tenor.

— Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Group considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The Group considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

In accordance with the board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27th March, 2020 and 17th April, 2020 relating to 'COVID-19 – Regulatory Package', the Group has offered moratorium upto six months on the payment of installments falling due between 1st March, 2020 and 31st August, 2020 to all eligible borrowers. The Group has extended One-Time Resolution framework as for COVID-19-related Stress to eligible customers as per applicable RBI guidelines and as per the policy of the Group. The Group has classified all restructured accounts done under Prudential Framework for Resolution of Stressed Assets vide circular RBI/2018-19/203 DBR.No.BP.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

BC.45/21.04.048/2018-19 dated 7th June 2019 in Stage 3 and with regard to restructured contracts done under one time resolution framework vide RBI circular dated 6th August, 2020 and RBI/2 021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5th May, 2021 in stage 2 irrespective of days past due status on the reporting date.

Definition of default

The Group considers a financial instrument is in default when the borrower becomes 90 days past due on its contractual payments. The Group considers loans under default as 'credit impaired' and classified as stage-3 except for restructured contracts as disclosed above.

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 24-25	Stage 1	Stage 2	Stage 3	Grand total
Gross carrying value	25,066.76	1,329.68	782.98	27,179.42
Allowance for ECL	210.70	244.71	425.17	880.58
ECL coverage ratio	0.84%	18.40%	54.30%	3.24%

FY 23-24	Stage 1	Stage 2	Stage 3	Grand total
Gross carrying value	24,357.57	1,305.94	742.80	26,406.31
Allowance for ECL	289.48	253.54	393.05	936.07
ECL coverage ratio	1.19%	19.41%	52.91%	3.54%

Reconciliation of expected credit loss

Particulars	Stage 1	Stage 2	Stage 3	Grand Total
Balance as at 1st April 2023	**264.74**	**138.78**	**306.54**	**710.06**
Transfer from stage 1	(15.17)	8.74	6.43	-
Transfer from stage 2	13.19	(55.32)	42.13	-
Transfer from stage 3	8.78	4.45	(13.23)	-
Loans that have derecognised during the period	(39.36)	(48.00)	(116.07)	(203.43)
New loans originated during the year	114.54	59.15	49.21	222.90
Net remeasurement of loss allowance	(57.24)	145.74	118.04	206.54
Balance as at 31st March 2024	**289.48**	**253.54**	**393.05**	**936.07**
Transfer from stage 1	(19.06)	8.64	10.42	-
Transfer from stage 2	13.19	(117.14)	103.95	-
Transfer from stage 3	5.27	2.57	(7.84)	-
Loan that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.55)
New loans originated during the year	91.52	47.32	50.74	189.58
Net remeasurement of loss allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**

Concentration of credit risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

	31st March 2025	31st March 2024
Carrying value		
Concentration by geographical region in India		
South	11,173.70	10,636.43
West	6,927.67	7,256.11
East	4,736.87	4,252.84
North	4,341.18	4,260.93
Total loans as at reporting period	**27,179.42**	**26,406.31**

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

(B) Liquidity risk

Liquidity risk is a risk that an entity will encounter difficulty in meeting financial obligations.

As per Group's policy, management ensures availability of sufficient fund either through Installment receivables/ sourcing through debts at each point of time. The fund requirement ascertain at the beginning of the period by taking into consideration Installment receivable, likely disbursement, loan installment payment & other operational expenses. The Group is continuously getting good support from bankers & financial institutions at the time of need.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31st March 2025	31st March 2024
Floating rate		
Expiring within one year	4,820	1,950
Expiring beyond one year	-	-
	4,820	**1,950**

(ii) Maturities of financial assets and liabilities

The tables below analyse the Group's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for:

a. All non-derivative financial liabilities, and

b. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The table below summaries the maturity profile of the Group's non derivative financial assets and financial liabilities based on contractual undiscounted payments as at the balance sheet date.

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,599.65	-	-	-	-	3,599.65
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.13	75.44	-	-	152.21
Loans	6,920.21	4,872.60	7,383.26	14,009.22	3.83	33,189.12
Investments	-	-	300.00	-	17.63	317.63
Other financial assets	2.01	4.78	6.40	12.31	2.75	28.25
Total	**10,560.51**	**4,915.51**	**7,771.05**	**14,021.53**	**24.21**	**37,292.81**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,497.56	3,562.25	7,232.59	14,073.57	150.58	27,516.55
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	245.39	-	-	1,091.33
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	221.10
Total	**3,142.88**	**3,777.68**	**7,631.23**	**14,133.46**	**161.48**	**28,846.73**

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2024						
Financial assets:						
Cash and cash equivalents	1,761.42	-	-	-	-	1,761.42
Fixed deposits	-	-	5.90	-	-	5.90
Derivative financial instruments	-	-	90.67	-	-	90.67
Trade receivables	29.51	29.31	58.38	-	-	117.20
Loans	6,440.74	4,432.37	7,119.02	15,218.23	10.23	33,220.59
Investments	-	-	100.25	-	4.25	104.50
Other financial assets	3.06	1.88	7.60	12.48	-	25.02
Total	**8,234.73**	**4,463.56**	**7,381.82**	**15,230.71**	**14.48**	**35,325.30**

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
Financial liabilities:						
Borrowings	1,944.17	2,156.42	8,884.91	11,991.57	523.22	25,500.29
Security deposit	23.21	15.47	98.55	-	-	137.23
Trade payables	614.43	247.99	185.68	1.18	-	1,049.28
Other financial liabilities	4.02	2.45	168.74	17.16	11.82	204.19
Total	**2,585.83**	**2,422.33**	**9,337.88**	**12,009.91**	**535.04**	**26,890.99**

The table below summaries the contractual maturity profile of carrying value of assets and liabilities:

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,599.65	-	-	-	-	3,599.65
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.13	75.44	-	-	152.21
Loans	5,994.70	3,796.80	5,793.35	11,591.81	2.76	27,179.42
Investments	-	-	282.12	-	5.63	287.75
Other financial assets	2.01	4.78	6.40	12.31	2.75	28.25
Total	**9,635.00**	**3,839.71**	**6,163.26**	**11,604.12**	**11.14**	**31,253.23**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,034.39	3,152.20	6,577.72	12,772.86	150.00	24,687.17
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	245.39	-	-	1,091.33
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,973.71**	**12,823.85**	**159.85**	**26,002.09**

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total Carrying Amount
As at 31st March 2024						
Financial assets:						
Cash and cash equivalents	1,761.42	-	-	-	-	1,761.42
Fixed deposits	-	-	5.90	-	-	5.90
Derivative financial instruments	-	-	90.67	-	-	90.67
Trade receivables	29.51	29.31	58.38	-	-	117.20
Loans	5,229.47	3,333.03	5,339.72	12,495.10	8.99	26,406.31
Investments	-	-	93.46	-	4.25	97.71
Other financial assets	3.06	1.88	7.60	12.48	-	25.02
Total	**7,023.46**	**3,364.22**	**5,595.73**	**12,507.58**	**13.24**	**28,504.23**
Financial liabilities:						
Borrowings	1,596.16	1,779.51	8,090.76	10,801.26	500.03	22,767.72
Security deposit	23.21	15.47	98.55	-	-	137.23
Trade payables	614.43	247.99	185.68	1.18	-	1,049.28
Other financial liabilities	3.42	1.85	167.50	13.48	11.15	197.40
Total	**2,237.22**	**2,044.82**	**8,542.49**	**10,815.92**	**511.18**	**24,151.63**

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

(a) Foreign currency risk exposure:

Foreign exchange risk arises on financial instruments being denominated in a currency that is not the functional currency of the entity. The Group is exposed to foreign exchange risk due to continuous fluctuation in the foreign currency(USD) of the loan originated. The Group has entered into cross currency swaps (CCS) /forward contracts/ Interest rate swap to fully hedge all foreign currency exchange risk on the principal and interest amount payable on borrowings.

Particulars	31st March 2025	31st March 2024
Financial liabilities		
Variable Foreign Currency Borrowings (USD 35 million) (Year ended 31st March 2024 : USD 100 million)	300.13	751.50
Derivative liabilities		
Hedged through forward contracts and CCS	300.13	751.50
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis:

The Group has hedged all its foreign currency exposures by entering into CCS/ Forwards contracts, hence it shall not be subjected to any sensitivity on settlement due to foreign currency fluctuation due to the movements in foreign exchanges i.e. USD. Forward contract & cross current swap are to buy USD for hedging foreign currency loan.

Impact on profit after tax		
USD sensitivity	**31st March 2025**	**31st March 2024**
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(c) Fair value interest rate risk:

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During year ended 31st March 2025 and 31st March 2024, the Group's borrowings at variable rate were mainly denominated in INR.

The Group's floating rate borrowings are carried at amortised cost. For NBFC business, loan is the major source for running the business. In India, loans are generally available at floating rate interest and there are no such option available to obtain swap option for floating rate interest linked to respective bank MCLR with fixed interest. Hence except foreign currency loans, other loans are not hedged.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2025	31st March 2024
Variable rate borrowings	17,493.01	13,871.00
Total borrowings	**24,687.17**	**22,767.72**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

Particulars	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

Particulars	31st March 2024		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	8.15%	13,871.00	60.92%

An analysis by maturities is provided in note 39 B (ii) above.

(All amounts in ₹ crore unless otherwise stated)

NOTE 39 Financial risk management (Contd.)

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Impact on profit after tax		
Particulars	**31st March 2025**	**31st March 2024**
Interest rates – increase by 50 basis points (50 bps) *	(65.45)	(51.90)
Interest rates – decrease by 50 basis points (50 bps) *	65.45	51.90

* Holding all other variables constant

NOTE 40 Capital Management

(a) Risk Management

The Risk Management policy includes identification of element of risks, including those which in the opinion of Board may lead to Group not meeting its financial objectives. The risk management process has been established across the Group and design to identify, access & frame a response to threat that affect the achievement of its objectives. Further it is embedded across all the major functions and revolve around the goals and objectives of the Group.

Maintaining optimal capital to debt is one such measure to ensure healthy returns to the shareholders. Group envisages maintaining gearing ratio of maximum 7 times to the total equity, the Group monitors the ratio as below.

Particulars	31st March 2025	31st March 2024
Net debt (total borrowings, less cash and cash equivalents)	21,087.52	21,006.31
Total equity (as shown in the balance sheet)	4,952.20	3,868.94
Net debt to equity ratio	**4.26**	**5.43**

(b) Externally imposed capital restrictions

1) As per RBI requirements Capital Adequacy Ratio should be minimum 15%, not meeting RBI requirements will lead cancellation of NBFC licenses issued by RBI.

2) As per various lending arrangements with banks, TOL (Total Outside Liability) to TNW (Tangible Net Worth) ratio should be less than 8.5 times, not meeting the said requirements may lead to higher interest rates.

3) Shareholding of the promoter shall not be less than 51% without prior approval from lenders.

The Group has complied with these covenants throughout the reporting period.

(All amounts in ₹ crore unless otherwise stated)

NOTE 41 Leases

a) Lease disclosures pertaining to right-to-use assets

Particulars	31st March 2025	31st March 2024
Opening balance	26.58	28.73
Add: Adjustments on account of modification	35.95	-
Add: Additions during the year	23.53	6.10
Less: Deletions during the year	-	-
Less: Depreciation during the year	(20.87)	(8.25)
Closing balance	**65.19**	**26.58**

b) Lease liability movement

Particulars	31st March 2025	31st March 2024
Opening balance	31.36	33.11
Add: Adjustments on account of modification	34.72	-
Add: Additions during the year	23.53	6.10
Add: Interest accrued during the year	6.12	2.82
Less: Interest paid during the year	(6.12)	(2.82)
Less: Deletions during the year	-	-
Less: Prinicpal repayment during the year	(18.20)	(7.84)
Closing balance	**71.41**	**31.36**

c) The Group has offices across the country with varied lease period. The lease term considered for arriving at the Right to use Asset and Lease liabilities are based on the non-cancellable period of the respective agreements.

d) The Group has exercised the option of short term leases and low value asset exemption.

e) Lease disclosures pertaining to Statement of Profit and Loss

Particulars	31st March 2025	31st March 2024
Finance charges		
Interest expense	6.12	2.82
Depreciation		
Amortisation of right to use assets	20.87	8.25
Other expenses		
Rent expenses		
Expense relating to short-term leases (included in other expenses)	6.68	17.70
Expense relating to leases of low-value assets that are not short-term leases (included in other expenses)	-	-
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
Total	**33.67**	**28.77**

f) Additional disclosures in cash flow statement

Particulars	31st March 2025	31st March 2024
Cash flow financing activities		
Principal repayments related to lease liabilities	18.20	7.84
Interest payments related to lease liabilities	6.12	2.82

g) Contractual maturities of lease liabilities outstanding

Particulars	31st March 2025	31st March 2024
Less than one year	19.07	9.12
One to five years	42.49	17.16
More than five years	9.85	5.08
Total	**71.41**	**31.36**

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure

Disclosure in respect of related parties and their relationship where transaction exists:

Nature of relationship	Parties name
Reporting enterprise	TVS Credit Services Limited
Holding company	TVS Motor Company Limited
Ultimate holding company	TVS Holdings Limited
Subsidiaries	TVS Housing Finance Private Limited Harita ARC Private Limited Harita Two Wheeler Mall Private Limited
Fellow subsidiary	TVS Motor Services Limited Sundaram Auto Components Limited TVS Digital Pte Limited TVS Digital Limited (with effect from 16th September 2024) Drive X Mobility Millennial Solutions Private Limited (ceased to be associate of holding company and became fellow subsidiary with effect from 23rd December, 2024)
Enterprise under common control	Sundaram-Clayton Limited Srinivasan Services Trust
Associate of holding company	Scienaptic Systems Private Limited (upto 27th December 2024) TVS Training And Services Ltd
Non-executive directors	Mr. Venu Srinivasan Mr. Sudarshan Venu Mr. K.N. Radhakrishnan Mr. Sanjiv Chadha (with effect from 22nd November 2024)
Independent directors	Mr. R. Gopalan Mr. B. Sriram Ms. Kalpana Unadkat Ms. Deepali Pant Joshi (with effect from 6th August 2024) Mr. T. C. Suseel Kumar (with effect from 6th August 2024)
Director and Chief Executive Officer	Mr. Ashish Sapra, Director and Chief Executive Officer (Directorship with effect from 22nd November 2024)
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer Mr. Sreejith P, Company Secretary (up to 20th January 2025) Mr. Chetan Nage, Company Secretary

Transactions with related parties and balance outstanding as at the end of the year:

S.No.	Name of the related party	Nature of transactions	31st March 2025	31st March 2024
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	282.67	-
		Contribution towards Issuance of compulsory convertible preference share	-	200.00
		Receipt of subvention income	10.11	1.35
		Reimbursement of IT expense	2.46	6.40
		Payment towards business support service	3.70	1.58
		Balance outstanding [Dr/(Cr)]	(0.94)	(6.45)

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

S.No.	Name of the related party	Nature of transactions	31st March 2025	31st March 2024
2	TVS Holdings Limited	Payment towards brand royalty fees	22.87	15.55
		Payment towards business support service	2.82	2.88
		Balance outstanding [Dr/(Cr)]	(0.72)	(6.61)
3	TVS Housing Finance Private Limited	Reimbursement of expenses	0.17	0.14
		Balance outstanding [Dr/(Cr)]	-	-
4	Harita ARC Private Limited**	Pre-operative expenses	0.00	0.00
		Balance outstanding [Dr/(Cr)]	0.02	0.01
5	Harita Two Wheeler Mall Private Limited**	Pre-operative expenses	0.00	0.00
		Balance outstanding [Dr/(Cr)]	0.02	0.01
6	TVS Digital Pte. Limited	Payment towards software license fees	1.97	2.55
		Payment towards digital advertisement	-	0.06
		Payment towards business support service	0.01	-
		Balance outstanding [Dr/(Cr)]	(0.18)	(0.75)
7	TVS Digital Ltd	Payment towards business support service	0.36	-
		Balance outstanding [Dr/(Cr)]	(0.16)	-
8	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	7.87	29.34
		Balance outstanding [Dr/(Cr)]	-	-
9	Sundaram Clayton Limited	Payment towards business support service	1.27	0.31
		Balance outstanding [Dr/(Cr)]	(0.18)	(0.17)
10	Srinivasan Services Trust	Contribution towards corporate social responsibility	10.00	10.00
		Balance outstanding [Dr/(Cr)]	-	-
11	Scienaptic Systems Private Limited	Payment towards business support service	0.89	0.68
		Balance outstanding [Dr/(Cr)]	(0.17)	-
12	TVS Training and Services Limited	Interest on loan received	0.02	0.02
		Loan recovered	0.06	0.05
		Disbursal of loan	-	0.13
		Balance outstanding [Dr/(Cr)]	0.12	0.18

Remuneration to Key Managerial Personnel*

Particulars	2024-25	2023-24
Short term benefits	8.69	6.60
Post retirement benefits	0.28	0.23
Share based payment	0.27	-

*Remuneration to Key Managerial Personnel excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the Group as a whole.

The Group has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties , either severally or jointly with any other person, which are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Directors' sitting fees and commission

Sl. No.	Name of the Director	Nature	2024-25	2023-24
1	Mr. Venu Srinivasan	Sitting fees*	0.00	0.01
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.02
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.05	0.02
		Commission	0.20	0.20
4	Mr. R.Gopalan	Sitting fees	0.03	0.02
		Commission	0.20	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.04	0.02
		Commission	0.20	0.20
6	Mr. V Srinivasa Rangan	Sitting fees	-	0.01
		Commission	-	0.12
7	Ms. Deepali Pant Joshi	Sitting fees	0.01	-
		Commission	0.13	-
8	Mr. T.C. Suseel Kumar	Sitting fees	0.01	-
		Commission	0.13	-
TOTAL			**1.03**	**0.81**

1. * The sitting fees paid during year ended 31st March 2025 are below the rounding off norms of the Group.
2. Transaction values are excluding taxes and duties

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Related party disclosure pursuant to Scale Based Regulation (SBR) disclosure requirements vide notification no. RBI/DoR/2023-24/106DoR.FIN.REC.No.45/03.10.119/2023-24:

Related party balance outstanding:

Related party items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances:																
Outstanding at the year end	-	-	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
Maximum outstanding during the year	-	-	-	-	0.18	0.22	-	-	-	-	-	-	-	-	0.18	0.22
Investments:																
Outstanding at the year end	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Maximum outstanding during the year	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01

(All amounts in ₹ crore unless otherwise stated)

42. Related party disclosure (Contd.)

Related party transactions during the year:

Related party items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Contribution towards issuance of equity shares	282.67	-	-	-	-	-	-	-	-	-	-	-	-	-	282.67	-
Contribution towards Issuance of compulsory convertible preference share	-	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00
Receipt of subvention income	10.11	1.35	-	-	-	-	-	-	-	-	-	-	-	-	10.11	1.35
Reimbursement of IT expense	2.46	6.40	-	-	-	-	-	-	-	-	-	-	-	-	2.46	6.40
Payment towards business support service	6.52	4.46	-	-	0.89	0.68	1.27	0.31	-	-	-	-	0.36	-	9.04	5.45
Payment towards brand royalty fees	22.87	15.55	-	-	-	-	-	-	-	-	-	-	-	-	22.87	15.55
Reimbursement of expenses	-	-	0.17	0.14	-	-	-	-	-	-	-	-	-	-	0.17	0.14
Pre-operative expenses	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	-	-	1.97	2.55	1.97	2.55
Payment towards digital advertisement	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-	0.06
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	-	-	7.87	29.34	7.87	29.34
Contribution towards corporate social responsibility	-	-	-	-	-	-	10.00	10.00	-	-	-	-	-	-	10.00	10.00
Disbursal of loan	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13
Loan recovered	-	-	-	-	0.06	0.05	-	-	-	-	-	-	-	-	0.06	0.05
Interest on loan received	-	-	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crore unless otherwise stated)

43. Employee stock option plan

(A) Employee stock option plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the Parent Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the Parent Company which are convertible to one equity share of the Parent Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing stock compensation charge, is expensed over the vesting period.

Details of ESOP granted during the year is as follows:

Plan	No. of options granted	Grant date	No. of options outstanding	Vesting condition and vesting period	Exercise price (Rs.)	Weighted average fair value of the options at the grant date (Rs.)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	440.00	178.45

(B) Method used for accounting for share based payment plan

The Parent Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise price	Expected volatality*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%

* Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price

For the year ended 31st March 2025, the Parent Company has accounted expense of ₹0.27 crore as employee benefits expense (note 32) on the aforementioned employee stock option plan (31st March 2024: Nil)

(C) Movement in ESOP

Particulars	As at 31st March 2025		As at 31st March 2024	
	No of options	Weighted average fair value of the options at the grant date (Rs per share)	No of options	Weighted average fair value of the options at the grant date (Rs per share)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	1,55,400	178.45	-	-
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,55,400	178.45	-	-
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2025 (In days)	As at 31st March 2024 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,321	-

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of consolidated financial statements for the year ended 31st March 2025

1. Capital commitments

Description	31st March 2025	31st March 2024
Estimated amount of contracts remaining to be executed on capital account not provided for	13.38	4.47

2. Other commitments

Description	31st March 2025	31st March 2024
Undrawn loans sanctioned to borrowers	41.29	63.47

3. Contingent liabilities not provided for

Claims against the Group not acknowledged as debts

Description	31st March 2025	31st March 2024
Disputed service tax and GST demand inclusive of penalty (Pre-deposit of ₹ 0.63 Cr)	10.65	9.46
Legal cases filed by borrowers against the Group	13.15	6.15

The Group's pending litigations comprise of claims against the Group and proceedings pending with statutory authorities. The future cash flows on the above items are determinable only on receipt of decisions/judgments that are pending at various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

4. Pursuant to para 2 of general instructions for preparation of financial statements of a NBFC as mentioned in Division III of Schedule III of The Companies Act, 2013, the current and non-current classification has not been provided.

5. The Group has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

6. The Group is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

7. There have been no significant events after the repotting date that require disclosure in the Financial Statements.

8. Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

9. No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10. No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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.

11. The Group has not traded or invested in crypto currency or virtual Currency during the financial year.

(All amounts in ₹ crore unless otherwise stated)

44. Additional notes forming part of consolidated financial statements for the year ended 31st March 2025 (Contd.)

12. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for the year ended 31st March 2025 and 31st March 2024

As at 31st March 2025

	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
Name of the entity	As a % of consolidated net assets	₹ in crores	As a % of consolidated profit/(Loss)	₹ in crores	As a % of consolidated Other comprehensive income	₹ in crores	As a % of consolidated Total comprehensive income	₹ in crores
Parent								
TVS Credit Services Limited	99.67%	4,935.90	99.89%	767.25	100.00%	(15.08)	99.89%	752.17
Subsidiaries								
TVS Housing Finance Private Limited	0.33%	16.30	0.11%	0.82	0.00%	-	0.11%	0.82
Haritha ARC Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Harita Two Wheeler Mall Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Total	**100.00%**	**4,952.20**	**100.00%**	**768.07**	**100.00%**	**(15.08)**	**100.00%**	**752.99**

As at 31st March 2024

	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
Name of the entity	As a % of consolidated net assets	₹ in crores	As a % of consolidated profit/(Loss)	₹ in crores	As a % of consolidated Other comprehensive income	₹ in crores	As a % of consolidated Total comprehensive income	₹ in crores
Parent								
TVS Credit Services Limited	99.60%	3,853.45	99.87%	571.83	100.00%	(20.69)	99.87%	551.14
Subsidiaries								
TVS Housing Finance Private Limited	0.40%	15.49	0.13%	0.73	0.00%	-	0.13%	0.73
Haritha ARC Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Harita Two Wheeler Mall Private Limited	0.00%	(0.00)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Total	**100.00%**	**3,868.94**	**100.00%**	**572.56**	**100.00%**	**(20.69)**	**100.00%**	**551.86**

As per our report of even date

For CNGSN & Associates LLP
Chartered Accountants
ICAI Regn No. FRN 004915S

C.N. Gangadaran
Partner
Membership No. 011205

Place : Chennai
Date : 28th April 2025

For Suri & Co.
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya. M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Chennai
Date : 28th April 2025

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

Directors' Report to the Shareholders

The directors present the Eighth Annual Report together with the Annual audited statement of accounts for the year ended 31st March 2025.

Financial Highlights

The Company is yet to commence its operations and the Company incurred an expense of Rs. 24,600/- towards regulatory requirements.

Share Capital

During the year, the Company has not made any issuance of shares, and the paid-up equity share capital of the Company as on 31st March 2025, stood at Rs. 25,000.

Dividend

The directors of the Company do not recommend any dividend for the period ended 31st March 2025.

Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the audit committee and the Board of directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrixes are developed for monitoring and reviewing the risk mitigation.

Directors' responsibility statement

Pursuant to the requirement of Section 134(3)(c) read with 134(5) of the Companies Act, 2013 (Act, 2013) with respect to Director's Responsibility Statement, it is hereby stated that:

(a) in the preparation of the annual accounts for the period from 1st April 2024 to 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period.

(c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) 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.

Directors Appointment/Cessation

The Board at its meeting held on 10th February 2025, appointed Mr. B Rajaram as the director of the company.

During the year under review, Mr. V Gopalakrishnan, Director, resigned from the Board effective 10th February 2025.

Directors liable to retire by rotation

In terms of the provisions of the Companies Act, 2013 Mr N Srinivasa Ramanujam director of the Company, retire from the office at the ensuing annual general meeting and being eligible, offers himself for re-appointment.

Number of board meetings held

During the period under review, the board met 4 times on 3rd May 2024, 14th August 2024, 22nd November 2024 and 10th February 2025 and the gap between two meetings did not exceed one hundred and twenty days.

Statutory Auditors

On the recommendation of the Board of Directors of the Company, members of the Company appointed M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants as Statutory Auditors of the Company at the 4th Annual General Meeting of the Company for a term of 5 consecutive years pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

The Statutory Auditors will continue to hold office for the fifth year in the term of five consecutive years, from the conclusion of this Annual General Meeting.

The Company has obtained necessary certificate under Section 141 of the Act 2013 conveying their eligibility for being statutory auditors of the Company for the year 2025-26.

The Auditors' Reports for the financial year 2024-25 do not contain any qualifications, reservations and adverse remarks and the same is attached with the annual financial statements.

Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

(a) details relating to deposits covered under Chapter V of the Act;

(b) issue of equity shares with differential rights as to dividend, voting or otherwise;

(c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

(d) raising of funds through preferential allotment or qualified institutions placement;

(e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(f) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of one-time settlement with any bank or financial institution.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Details of material related party transactions:

During the year, there were no such transactions.

Employee's remuneration:

There are currently no employees in the Company, hence the requirement of attaching a statement under Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the details of employee's remuneration is not applicable.

Details of loans / guarantees / investments made:

The disclosure under this head is not applicable as the Company has not extended any guarantee or loans to other companies as per Section 186 of the Act, 2013 for the period ended 31st March 2025.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information and details on conservation of energy, technology absorption do not apply to the Company, as the Company is not a manufacturing company.

Reporting of fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Maintenance of cost records:

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year. Further, companies covered under Table B of Rule 3 to Companies (Cost Records and Audit) Rules, 2014 whose overall annual turnover exceeds 100 Crores are required to get its cost records audited.

The Company's operations do not fall under any of the activities requiring maintenance and subsequent audit of cost records.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company was not required to constitute an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since there are no employees in the Company.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

During the period under review, there was no foreign earning or expenditure in the Company.

Acknowledgement

The Directors gratefully acknowledge the continued support and co-operation received from the holding company viz., TVS Credit Services Limited. The directors thank the bankers for their continued support and assistance.

For and on behalf of the Board

Place : Chennai	N SRINIVASA RAMANUJAM	B RAJARAM
Date : 26th April 2025	Director	Director
	DIN: 07384809	DIN: 08475988

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of Harita ARC Private Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **Harita Arc Private Limited** ("the Company"), having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai-600 006, Tamil Nadu which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Material 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and its loss, total comprehensive loss , its cash flows and the changes in equity for the year ended on that date.**Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the standalone financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 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.

The 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 Standards on Auditing 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 standalone 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key

audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter, or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   - (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
   - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of section 164(2) of the Act;
   - (f) Reporting on internal financial controls over financial reporting as on 31st March 2025 does not arise as per Notification GSR 583 E dated 13th June 2017, since the company doesn't satisfy the turnover and borrowings conditions of the above notification;
   - (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors;
   - (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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
     - (i) There are no pending litigations as at 31st March 2025;
     - (ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2025;
     - (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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

       (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
     - (v) The Company has not declared any dividends during the year;
     - (vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31,2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN	25027716BMIIMP6994

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 26th April 2025

Annexure "A" to Independent Auditors' Report 31st March 2025

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i (a to d) The Company does not own any property plant & equipment, Intangible assets & right to use assets. Accordingly, Clause 3(i)(a) to 3(i)(d) of the Order is not applicable to the company;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The Company does not have any inventory. Accordingly, Clause 3(ii)(a) of the Order is not applicable to the company;

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable;

iii. The Company has not made investments and has not provided any Guarantee or security or granted any loans or advances in nature of loans secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties, during the year. Accordingly, the provision of clause 3(iii)(a) to 3 (iii)(f) of the order is not applicable;

iv. In our opinion, the Company has not entered any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence,reporting under clause 3(v) of the Order is not applicable;

vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act. Therefore, the provisions of Clause (vi) of the Order are not applicable to the Company;

vii. In respect of statutory dues:

(a) According to the records of the Company, the Company does not have the liability to deposit statutory dues including Provident Fund, Employees' State Insurance, Custom duty, Income Tax, Goods and Service Tax and Cess and other material statutory dues with the appropriate authorities;

(b) According to the information and explanations given to us, there are no dues of Income Tax and Goods and Service Tax which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) The Company has not obtained any loans or borrowings from any lender during the year. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not obtained term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable;

(d) The Company has not raised any short-term funds during the year. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act;

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable;

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company;

xvi. (a) (b) (c) (d) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable;
Based on the information and explanations given to us and as represented by the management of the Company, the Group has 1 Core Investment Company;

xvii. The Company has incurred cash losses during the financial year and in immediately preceding financial year amounting to Rs. 24,628 & Rs. 30,826 covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We furtherstate 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. The provision of section 135 of Companies Act, is not applicable to company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable;

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN	25027716BMIIMP6994

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 26th April 2025

Balance Sheet as at 31st March 2025

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	As at 31st March 2025	As at 31st March 2024
ASSETS			
Current Assets			
Financial Assets			
Cash and Cash Equivalents	1	239	239
TOTAL ASSETS		**239**	**239**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2	250	250
Other Equity	3	(1,922)	(1,675)
TOTAL EQUITY		**(1,672)**	**(1,425)**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	4	100	236
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	5	1,811	1,429
TOTAL LIABILITIES		**1,911**	**1,665**
TOTAL EQUITY AND LIABILITIES		**239**	**239**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

Chennai
Dated: 26th April 2025

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V. SATHYANARAYANAN
Partner
Membership No.: 027716

Statement of Profit and Loss for the year ended 31st March 2025

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	For the year ended 31st March 2025	For the year ended 31st March 2024
INCOME			
Revenue from operations		-	-
TOTAL INCOME		-	-
EXPENSES			
Other expenses	6	246	308
TOTAL EXPENSE		**246**	**308**
Profit/(Loss) before tax		**(246)**	**(308)**
Tax expense:		-	-
Profit/(Loss) after tax for the year		**(246)**	**(308)**
Other Comprehensive Income			
Total Comprehensive Income		(246)	(308)
Earning per equity share:			
Basic & Diluted earnings per share (in Rs)	7	(10)	(12)

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

Chennai
Dated: 26th April 2025

.

V. SATHYANARAYANAN
Partner
Membership No.: 027716

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(All numbers are in hundreds unless otherwise stated)

		Year ended 31st March 25	Year ended 31st March 24
A.	**Cash Flow from Operating Activities**		
	1. Profit/(Loss) Before Tax	(246)	(308)
B.	Operating Profit before Working Capital Changes	(246)	(308)
C.	Change in Working Capital		
	(Increase)/Decrease in Loans & Advances	246	307
	Changes in liability arising from financing activities	-	-
	Change in Working Capital	**246**	**307**
D.	Cash generated from Operations (B+C)	-	(1)
E.	**Net Cash from Operating Activities**	**-**	**(1)**
F.	**Net Cash Flow from Financing Activities**		
	Proceeds from Issue of Equity Shares		
	Net Cash from Financing Activities	**-**	**-**
G.	**Net Cash Flow from Investing Activities**		
	Payments for Property, Plant and Equipment and Investment Property		
	Net Cash from Investing Activities	**-**	**-**
H.	**Net change in Cash and Cash Equivalents (E+F+G)**	**-**	**(1)**
I.	**Cash and Cash Equivalents as at End**	**239**	**239**
J.	**Less: Cash and Cash Equivalents as at Beginning**	**239**	**241**
K.	**NET CHANGE IN CASH & CASH EQUIVALENTS (I-J)**	**-**	**(1)**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

Chennai
Dated: 26th April 2025

.

V. SATHYANARAYANAN
Partner
Membership No.: 027716

STATEMENT OF CHANGES IN EQUITY

(All numbers are in hundreds unless otherwise stated)

A

Equity	Note No.	Amount
Balance as at April 1, 2023	2	250
Changes in Equity share capital during the year	2	
Balance as at March 31, 2024		**250**
Changes in Equity share capital during the year	2	-
Balance as at March 31, 2025		**250**

B

Other Equity	Note No.	Retained Earnings	Total
Balance as at April 1, 2023	3	**(1,367)**	**(1,367)**
Total Comprehensive Income	3	(308)	(308)
Balance as at March 31, 2024		**(1,675)**	**(1,675)**
Total Comprehensive Income	3	(246)	(246)
Balance as at March 31, 2025		**(1,992)**	**(1,992)**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

Chennai
Dated: 26th April 2025

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V. SATHYANARAYANAN
Partner
Membership No.: 027716

Brief Description of the Company:

The Company was incorporated on 22nd August 2017 under the name of Harita ARC Private Limited, wholly owned subsidiary of TVS Credit Services Limited. The Company is yet to commence its business

Material Accounting Policies forming part of Financial Statements

a. Basis of preparation of financial statements

The financial statements are prepared on historical cost convention, on a going concern basis and in accordance with the applicable Indian Accounting Standard (Ind AS) as notified under Section 133 in the Companies Act, 2013. All expenses and income to the extent ascertained with reasonable certainty are accounted for on accrual basis.

b. Use of estimates

The preparation of the financial statements in conformity with the applicable Accounting Standard requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statement. The recognition, measurement, classification or disclosure of an item or information in the financial statement has been made relying on these estimates.

c. Cash Flow Statement

Cash flow statement is prepared under “Indirect Method” and the same is annexed.

d. Contingencies and events occurring after balance sheet date

There are no contingencies that need to be provided as on the balance sheet date.

e. Functional Currency:

Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). i.e in Indian rupees (INR) and all values are rounded off to nearest hundreds except where otherwise indicated.

NOTES TO BALANCE SHEET

(All numbers are in hundreds unless otherwise stated)

	As at 31st March 2025	As at 31st March 2024
1 Cash and cash equivalents		
Balances with banks	239	239
Total cash and cash equivalents	**239**	**239**

2 Share Capital

	Number of Shares	Amount
i) Authorised Share Capital:		
Equity shares of Rs.10/- each	2,500	250
ii) Issued, Subscribed and Fully Paid up Share Capital:		
Equity shares of Rs.10/- each	2,500	250
iii) Movement in equity share capital		
Equity Shares as at April 1, 2023	**2,500**	250
Additions	**-**	-
Equity Shares as at March 31, 2024	**2500**	**250**
Additions	**-**	-
Equity Shares as at March 31, 2025	**2500**	**250**

iv) Details of share holders holding more than 5% & Shares held by holding company

Name of the Share Holder	As at March 31, 2024	
	No. of Shares	%
TVS Credit Services Limited	2,500	100%

Name of the Share Holder	As at March 31, 2025	
	No. of Shares	%
TVS Credit Services Limited	2,500	100%

v) Terms / Rights attached

The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder has a right to participate in General Meeting and is eligible for one vote per share held. Residual interest in the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

	As at 31st March 2025	As at 31st March 2024
3 Other Equity		
Retained Earnings	(1,922)	(1,675)
Total Other Equity	**(1,922)**	**(1,675)**
Retained Earnings		
Opening Balance	(1,675)	(1,367)
Add: Net profit for the year	(246)	(308)
Closing Balance	**(1,922)**	**(1,675)**

4 Trade Payables

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2025				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	100	-	-	-	100
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	100	-	-	-	100

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2024				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	118	118	-	-	236
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	118	118	-	-	236

5 Other Financial Liabilities

	As at March 31, 2025	As at March 31, 2024
Payable to Holding Company	1,811	1,429
Total Other Financial Liabilities	**1,811**	**1,429**

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the year ended 31st March 2025	For the year ended 31st March 2024
6 Other Expenses		
Professional charges	120	157
Rates and taxes	26	33
Payment to Auditors		
- As Auditor	100	118
Bank Charges	-	1
Total Other Expenses	**246**	**308**
7 Earnings per share (Basic and Diluted)		
Earnings attributable to equity share holders	(246)	(308)
Number of Shares	2,500	2,500
Earnings per Share in Rs	(9.85)	(12)

8. Additional Notes forming part of Financial Statements for year ended 31st March 25

1There are no dues to micro medium small enterprises and hence the particulars required under notification no GSR 719(E) dt. 16.11.07 is not furnished.

2 Related Party Disclosures:

Reporting Entity:

Relationship	Name
Enterprise having Control	TVS Credit Services Limited
Subsidiary Company	Nil
Associate Companies	Nil
Key Management Personnel	Nil

Transactions with Related Parties

(In Hundreds)

		Amount (Rs.)	Amount (Rs.)
Nature of Transaction	**Name of the Related Party**	**FY 2024-25**	**FY 2023-24**
Advance Received	TVS Credit Services Limited	382	189
Balance Payable as at the end of the year	TVS Credit Services Limited	1,811	1,429

3 Additional regulatory information not disclosed elsewhere in the standalone financial statements

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency or Virtual Currency during the year.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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

(f) The Company has not received any fund from any person(s) or entity(is), 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,

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

4 DISCLOSURE OF RATIOS

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2025	Ratio 31.03.2024	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	0.13	0.14	-12.89%	Decrease in Liabilities
(b) Debt-equity ratio	Short term borrowings + Long term Borrowings	Shareholders' fund	NA	NA	NA	
(c) Debt service coverage ratio	Profit after Tax + Non Cash Expense + Interest on borrowings + Loss on sale of fixed assets	Interest on term loans + Principal of term loans	NA	NA	NA	
(d) Return on equity ratio	Profit after tax	Equity share capital	0.15	0.22	-31.88%	Decrease in expenes
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	
(f) Trade receivables turnover ratio	Net Credit Sales	Average accounts receivable	NA	NA	NA	
(g) Trade payables turnover ratio	Net Credit Purchase	Average accounts payable	NA	NA	NA	
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	NA	NA	NA	
(i) Net profit ratio	Profit after tax	Revenue from operations	NA	NA	NA	
(j) Return on capital employed	EBIT	Shareholders' fund+ Long term borrowings	14.73%	21.63%	-31.88%	Decrease in expenes
(k) Return on investment	Profit after tax	Equity shareholders' Fund	14.73%	21.63%	-31.88%	Decrease in expenes

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn No.: 007761S

Chennai
Dated: 26th April 2025

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V. SATHYANARAYANAN
Partner
Membership No.: 027716

Directors' Report to the Shareholders of the Company

The directors present the Eighth Annual Report together with the Annual Audited Statement of Accounts for the year ended 31st March 2025.

Financial Highlights

The Company is yet to commence its operations. However, the Company has generated an interest income of Rs. 1,08,32,000/- and earned a profit of Rs. 81,28,000/- for FY 2024-25.

Dividend

The directors, in order to conserve the resources for its future business activities, have not proposed any dividend for the period under review.

Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the audit committee and the Board of directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

Directors' responsibility statement

Pursuant to the requirement of Section 134(3)(c) read with 134(5) of the Companies Act, 2013 (Act, 2013) with respect to Director's Responsibility Statement, it is hereby stated that:

(a) in the preparation of the annual accounts for the period from 1st April 2024 to 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;

(c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) 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.

Directors liable to retire by rotation

In terms of the provisions of the Companies Act, 2013 all the directors, viz., Mr Venu Srinivasan and Mr Sudarshan Venu directors of the Company retire from the office at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Number of board meetings held

During the period under review, the board met 4 times on 3rd May 2024, 14th August 2024, 22nd November 2024 and and 10th February 2025 and the gap between the two meetings did not exceed one hundred and twenty days.

Key Managerial Personnel (KMPs)

During the year, Mr V Gopalakrishnan had resigned as Chief Financial Officer of the Company with effect from 10th February 2025 and Mr N S Ramanujam was appointed as Chief Financial Officer with effect from 10th February 2025. Mr N S Ramanujam, Chief Financial Officer and Ms Priyaavarshini, Company Secretary are the Key Managerial Personnels of the Company pursuant to Section 2(51) and Section 203 of the Act 2013, read with the Rules framed thereunder.

Statutory Auditors

On the recommendation of the Board of Directors of the Company, members of the Company appointed M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants as Statutory Auditors of the Company at the 4th Annual General Meeting of the Company for a term of 5 consecutive years pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors. The Statutory Auditors will continue to hold office for the fifth year in the term of five consecutive years, from the conclusion of this Annual General Meeting.

The Auditors' Reports for the financial year 2024-25 do not contain any qualifications, reservations and adverse remarks and the same is attached with the annual financial statements.

The Company has obtained necessary certificate under Section 141 of the Act 2013 conveying their eligibility for being statutory auditors of the Company for the year 2025-26.

Disclosures

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

(a) details relating to deposits covered under Chapter V of the Act;

(b) issue of equity shares with differential rights as to dividend, voting or otherwise;

(c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

(d) raising of funds through preferential allotment or qualified institutions placement;

(e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(f) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of one-time settlement with any bank or financial institution.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Details of material related party transactions:

All contracts / arrangements entered by the Company during the period ended 31st March 2025 with related parties were in the ordinary course of business and at arm's length price in terms of section 188 read with the Companies (Meetings of board and its powers) Rules, 2014.

Pursuant to the provisions of section 134(h) of the Act 2013 read with rule 8(2) of the Companies (Accounts) Rules 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business.

Related Party disclosures as per the Indian Accounting Standards have been provided in Note 3 of Additional Notes forming part of the financial statements.

Employee's remuneration:

There are currently no employees in the Company, hence the requirement of attaching a statement under Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 containing the details of employee's remuneration is not applicable.

Details of loans / guarantees / investments made:

As regards furnishing the details of loans, guarantees and investments made by the Company as per Section 186 of the Act 2013 for the financial year 2024-25, the Company has not extended any guarantee or has given loans to other companies during the period under review.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information and details on conservation of energy, technology absorption do not apply to the Company, as the Company is not a manufacturing company and there are no foreign exchange earnings and outgo.

Reporting of fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Maintenance of cost records

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company was not required to constitute an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since there are no employees in the Company.

During the period under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the period under review, there were no foreign earnings or expenditure in the Company.

Acknowledgement

The directors gratefully acknowledge the continued support and co-operation received from the holding company viz., TVS Credit Services Limited. The directors thank the bankers for their continued support and assistance.

For and on behalf of the Board

Place : Chennai
Date : 28th April 2025

Venu Srinivasan
Director
DIN: 00051523

Sudarshan Venu
Director
DIN: 03601690

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of TVS Housing Finance Private Limited

Report on the Audit of the Stand-alone financial statements

Opinion

We have audited the accompanying standalone financial statements of **TVS Housing Finance Private Limited** ("the Company"), having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai-600 006, Tamil Nadu which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Material 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and its profit, total comprehensive profit , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the standalone financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 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.

The 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 Standards on Auditing 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 standalone 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.

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

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 purpose 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of section 164(2) of the Act;

   (f) Reporting on internal financial controls over financial reporting as on 31st March 2025 does not arise as per Notification GSR 583 E dated 13th June 2017, since the company doesn't satisfy the turnover and borrowings conditions of the above notification.

   (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors.

   (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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

      (i) There are no pending litigations as at 31st March 2025;

      (ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2025;

      (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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      (v) The Company has not declared any dividends during the year.

      (vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For RAGHAVAN, CHAUDHURI & NARAYANAN.,
Chartered Accountants
FRN.007761S

UDIN	25027716BMIIMR6698

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 28th April, 2025

Annexure "A" to Independent Auditors' Report 31st March 2025

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i (a to d) The Company does not own any property plant & equipment, Intangible assets & right to use assets. Accordingly, Clause 3(i)(a) to 3(i)(d) of the Order is not applicable to the company;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The Company does not have any inventory. Accordingly, Clause 3(ii)(a) of the Order is not applicable to the company;

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable;

iii. The Company has not made investments and has not provided any Guarantee or security or granted any loans or advances in nature of loans secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties, during the year. Accordingly, the provision of clause 3(iii)(a) to 3 (iii)(f) of the order is not applicable;

iv. In our opinion, the Company has not entered any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence,reporting under clause 3(v) of the Order is not applicable;

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out bythe Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company;

vii. In respect of statutory dues:

(a) According to the records of the Company, the Company does not have the liability to deposit statutory dues including Provident Fund, Employees' State Insurance, Custom duty, Income Tax, Goods and Service Tax and Cess and other material statutory dues with the appropriate authorities;

(b) According to the information and explanations given to us, there are no dues of Income Tax and Goods and Service Tax which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) The Company has not obtained any loans or borrowings from any lender during the year. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not obtained term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable;

(d) The Company has not raised any short-term funds during the year. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act;

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable;

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company;

xvi. (a) In our opinion, the Company is not required to be registered under section
(b) 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause
(c) 3(xvi)(a), (b) and (c) of the Order is not applicable;
(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group has 1 Core Investment Company;

xvii. The Company has not incurred cash losses during the financial year and in immediately preceding financial year covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit reportindicating 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. The provision of section 135 of Companies Act, is not applicable to company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable;

For RAGHAVAN, CHAUDHURI & NARAYANAN.,
Chartered Accountants
FRN.007761S

UDIN	25027716BMIIMR6698

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 28th April, 2025

Balance Sheet as at 31st March 2025

(Amount in Thousands unless otherwise stated)

Particulars	Note No.	As on March 31, 2025	As on March 31, 2024
ASSETS			
Current Assets			
Financial Assets			
Cash and Cash equivalents	1	6,581	376
Bank balances other than Cash and Cash Equivalents	2	1,08,900	113,900
Other Financial Assets	3	47,035	40,202
Current Tax Assets (Net)	4	2,792	2,405
Non Financial Assets			
Other Non Financial Assets	5	354	354
TOTAL ASSETS		**1,65,662**	**1,57,236**
EQUITY AND LIABILITIES			
Equity			
Share Capital	6	1,20,000	1,20,000
Other Equity	7	42,995	34,866
TOTAL EQUITY		**1,62,995**	**1,54,866**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	8	10	24
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	9	-	-
Current tax liabilities (Net)	10	2,658	2,347
TOTAL LIABILITIES		2,668	2,370
TOTAL EQUITY AND LIABILITIES		**1,65,662**	**157,236**

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

Venu Srinivasan
Chairman

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 25027716BMIIMR6698

Priyaavarshini
Company secretary

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 28th April 2025

Statement of Profit and Loss for the year ended 31st March 2025

(Amount in Thousands unless otherwise stated)

Particulars	Note No	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations		-	-
Other Income	11	10,832	9,610
Total revenue		**10,832**	**9,610**
EXPENSES			
Other expenses	12	46	47
Total Expense		**46**	**47**
Profit before tax		**10,786**	**9,564**
Tax expense:			
Current year taxes		2,658	2,347
Tax relating to earlier years		-	-
Profit/(Loss) after tax for the year		**8,128**	**7,217**
Earning per equity share (in Rs):	13	0.68	0.60

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 25027716BMIIMR6698

Venu Srinivasan
Chairman

Priyaavarshini
Company secretary

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 28th April 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in Thousands unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
A.	**Cash Flow from Operating Activities**		
	1. Profit/(Loss) Before Tax	10,786	9,564
	Interest Income	-	-
B.	Operating Profit before Working Capital Changes	**10,786**	**9,564**
C.	Change in Working Capital		
	(Increase)/Decrease in Short Term Receivable	(6,834)	(8,471)
	Increase/(Decrease) in Trade and other Payables	(14)	12
	Change in Working Capital	**(6,848)**	**(8,459)**
D.	Income Tax Paid	**(2,734)**	**(1,967)**
E.	Cash generated from Operations (B+C)	1,204	(1,202)
F.	**Net Cash from Operating Activities**	**1,204**	**(1,202)**
G.	**Net Cash Flow from Financing Activities**		
	Borrowings	-	-
	Proceeds from redemption of Deposit	5,000	-
	Net Cash from Financing Activities	**5,000**	**-**
H.	**Net Cash Flow from Investing Activities**		
	Payments for Property, Plant and Equipment and Investment Property	-	-
	Net Cash from Investing Activities	**-**	**-**
I.	**Net change in Cash and Cash Equivalents (F+G+H)**	**6,204**	**(1,202)**
J.	**Cash and Cash Equivalents as at End**	**6,581**	**376**
K.	**Less: Cash and Cash Equivalents as at Beginning**	**376**	**1,578**
L.	**NET CHANGE IN CASH & CASH EQUIVALENTS (J-K)**	**6,204**	**(1,202)**

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

Venu Srinivasan
Chairman

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 25027716BMIIMR6698

Priyaavarshini
Company secretary

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 28th April 2025

STATEMENT OF CHANGES IN EQUITY

(Amount in Thousands unless otherwise stated)

A

Equity	Note No.	Amount
Balance as at March 31, 2023	6	1,20,000
Changes in Equity share capital during the year	6	-
Balance as at March 31, 2024		**1,20,000**
Changes in Equity share capital during the year		-
Balance as at March 31, 2025		**1,20,000**

B

Other Equity	Note No.	Retained Earnings	Total
Balance as at April 1, 2023	7	27,649	27,649
Profit for the period	7	7,217	7,217
Other comprehensive income	7	-	-
Balance as at March 31, 2024		**34,866**	**34,866**
Profit for the period	7	8,128	8,128
Other comprehensive income	7	-	-
Balance as at March 31, 2025		**42,995**	**42,995**

Venu Srinivasan
Chairman

Priyaavarshini
Company secretary

N S Ramanujam
Chief Financial Officer

Chennai
Dated: 28th April 2025

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 027716
UDIN: 25027716BMIIMR6698

Brief Description of the company:

The Company was incorporated on 22nd August 2017 under the name of TVS Housing Finance Private Limited, wholly owned subsidiary of TVS Credit Services Limited. The company is yet to commence its business

Material Accounting Policies forming part of Financial Statements

a. Basis of preparation of financial statements

The financial statements are prepared on historical cost convention, on a going concern basis and in accordance with the applicable Indian Accounting Standard (Ind AS) as notified under Section 133 in the Companies Act, 2013. All expenses and income to the extent ascertained with reasonable certainty are accounted for on accrual basis.

b. Use of estimates

The preparation of the financial statements in conformity with the applicable Accounting Standard requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statement. The recognition, measurement, classification or disclosure of an item or information in the financial statement has been made relying on these estimates.

c. Cash Flow Statement

Cash flow statement is prepared under “Indirect Method” and the same is annexed.

d. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction.

e. Contingencies and events occurring after balance sheet date

There are no contingencies that need to be provided as on the balance sheet date.

f. Functional Currency:

Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). i.e in Indian rupees (INR) and all values are rounded off to nearest Thousands except where otherwise indicated.

NOTES TO BALANCE SHEET

(Amount in Thousands unless otherwise stated)

		As on March 31, 2025	As on March 31, 2024
1	**Cash and cash equivalents**		
	Balances with banks	6,581	376
	Total cash and cash equivalents	**6,581**	**376**
2	**Balances with Banks other than Cash and Cash Equivalents**		
	Deposits with banks	1,08,900	1,13,900
	Total Balances with Banks other than Cash and Cash Equivalents	**1,08,900**	**1,13,900**
3	**Other Financial Assets**		
	Interest accrued on Fixed Deposits	47,035	40,202
	Total Other Financial Assets	**47,035**	**40,202**
4	**Current tax Assets (Net)**		
	Advance tax and TDS receivable	2,792	2,405
	Total Current tax Assets (Net)	**2,792**	**2,405**
5	**Other Advances**		
	Other advances	354	354
	Total Current tax Assets (Net)	**354**	**354**

		Number of Shares	Amount
6	**Share Capital**		
i)	**Authorised Share Capital:**		
	Equity shares of Rs.10/- each	1,20,00,000	12,00,000
ii)	**Issued, Subscribed and Fully Paid up Share Capital:**		
	Equity shares of Rs.10/- each	1,20,00,000	12,00,000
iii)	**Movement in equity share capital**		
	Equity Shares as at April 1, 2023	**12,000,000**	**120,000**
	Additions	**-**	**-**
	Equity Shares as at April 1, 2024	**12,000,000**	**120,000**
	Additions	**-**	**-**
	Equity Shares as at March 31, 2025	**12,000,000**	**120,000**

(in Rs.)

iv) Details of share holders holding more than 5%

Details of Promoter Share Holder	As on March 31, 2024	
	No. of Shares	%
TVS Credit Services Limited	1,20,00,000	100.00
Details of Promoter Share Holder	**As on March 31, 2025**	
	No. of Shares	**%**
TVS Credit Services Limited	1,20,00,000	100.00

v) Terms / Rights attached

The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder has a right to participate in General Meeting and is eligible for one vote per share held.

		Amount as at 31st March 2025	Amount as at 31st March 2025
7	**Other Equity**		
	Retained Earnings	42,995	34,866
	Total Other Equity	**42,995**	**34,866**
	Retained Earnings		
i)	Opening Balance	34,866	27,649
	Add: Net profit for the year	8,128	7,217
	Closing Balance	**42,995**	**34,866**

8 Trade Payables

Particulars	2024				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	10	-	-	-	10
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	10	-	-	-	10

Particulars	2024				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	12	12	-	-	24
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	12	12	-	-	24

		Amount as at March 31, 2025	Amount as at March 31, 2024
9	**Current Tax Liability**		
	Provision for Taxation	2,658	2,347
	Total Current Tax Liability	**2,658**	**2,347**

NOTES TO STATEMENT OF PROFIT AND LOSS

(Amount in Thousands unless otherwise stated)

10 Other Income

	Year ended March 31, 2025	Year ended March 31, 2024
Interest Income	10,832	9,610
Total Other Income	**10,832**	**9,610**

11 Other Expenses

Professional charges	28	-
Rates and taxes	8	20
Payment to Auditors		
- As Auditor	10	12
Bank Charges	-	14
Total Other Expenses	**46**	**47**

12 Earnings per share

Earnings attributable to equity share holders	8,128	7,217
Number of Shares	1,20,00,000	1,20,00,000
Earnings per Share (in Rs)	0.68	0.60

14. Additional Notes forming part of Financial Statements for year ended 31st March 25

1 The Company has applied for the registration under Housing Finance Companies (NHB) Act, 1987 and the same is pending and hence it has not commenced its business of Housing Finance. Consequently, the requirements of disclosures and other compliances under NHB Act and Directions are not applicable.

2 There are no dues to micro medium small enterprises and hence the particulars required under notification no GSR 719(E) dt. 16.11.07 is not furnished.

3 Additional regulatory information not disclosed elsewhere in the standalone financial statements

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency or Virtual Currency during the year.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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

(f) The Company has not received any fund from any person(s) or entity(is), 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,

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

4 There are no significant events that have occurred after the balance sheet date.

5 Disclosure of Ratios:

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2025	Ratio 31.03.2024	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	62.10	66.34	-6.39%	Increase in Current Liabilities
(b) Debt-equity ratio	Short term borrowings + Long term Borrowings	Shareholders' fund	NA	NA	NA	
(c) Debt service coverage ratio	Profit after Tax + Non Cash Expense + Interest on borrowings + Loss on sale of fixed assets	Interest on term loans + Principal of term loans	NA	NA	NA	
(d) Return on equity ratio	Profit after tax	Equity share capital	0.05	0.05	7.01%	Increase in Interest Income
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	
(f) Trade receivables turnover ratio	Net Credit Sales	Average accounts receivable	NA	NA	NA	
(g) Trade payables turnover ratio	Net Credit Purchase	Average accounts payable	NA	NA	NA	
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	NA	NA	NA	
(i) Net profit ratio	Profit after tax	Revenue from operations	NA	NA	NA	
(j) Return on capital employed	EBIT	Shareholders' fund+ Long term borrowings	6.62%	6.18%	7.16%	Increase in Interest Income
(k) Return on investment	Profit after tax	Equity shareholders' Fund	4.99%	4.66%	7.01%	Increase in Interest Income

6 Related Party Disclosures:

Reporting Entity:-

Relationship	Name
Enterprise having Control	TVS Credit Services Limited
Subsidiary Company	Nil
Associate Companies	Nil
Key Management Personnel	Nil

Transactions with Related Parties (in Thousands)

Nature of Transaction	Name of the Related Party	Amount (Rs.) FY 2024-25	Amount (Rs.) FY 2023-24
Advance Received	TVS Credit Services Limited	1,707	1,434
Balance Payable as at the end of the year	TVS Credit Services Limited	Nil	Nil

Venu Srinivasan
Chairman

Priyaavarshini
Company secretary

N S Ramanujam
Chief Financial Officer

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No: 007761S

V. SATHYANARAYANAN
Partner
Membership No.: 027716

Chennai
Dated: 28th April 2025

Directors' Report to the Shareholders

The directors present the Eighth Annual Report together with the Annual Audited Statement of Accounts for the year ended 31st March 2025.

Financial Highlights

The Company is yet to commence its operations and the Company incurred an expense of Rs. 12,400/- towards regulatory compliance

Share Capital

During the year, the Company has not made any issuance of shares, and the paid-up equity share capital of the Company as on March 31, 2025, stood at Rs. 25,000.

Dividend

The directors of the Company do not recommend any dividend for the period ended 31st March 2025.

Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the audit committee and the Board of directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

Directors' responsibility statement

Pursuant to the requirement of Section 134(3)(c) read with 134(5) of the Companies Act, 2013 (Act, 2013) with respect to Director's Responsibility Statement, it is hereby stated that:

(a) in the preparation of the annual accounts for the period from 1st April 2024 to 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period;

(c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) 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.

Directors Appointment/Cessation

The Board at its meeting held on 10th February 2025, appointed Mr. B Rajaram as the director of the company.

During the year under review, Mr. V Gopalakrishnan, Director, resigned from the Board effective 10th February 2025.

Directors liable to retire by rotation

In terms of the provisions of the Companies Act 2013, Mr. N Srinivasa Ramanujam, director of the Company, retire from the office at the ensuing annual general meeting and being eligible, offers himself for re-appointment.

Number of board meetings held

During the period under review, the board met 4 times on 3rd May 2024, 14th August 2024, 22nd November 2024 and 10th February 2025 and the gap between two meetings did not exceed one hundred and twenty days.

Statutory Auditors

On the recommendation of the Board of Directors of the Company, members of the Company appointed M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants as Statutory Auditors of the Company at the 4th Annual General Meeting of the Company for a term of 5 consecutive years pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors. The Statutory Auditors will continue to hold office for the fifth year in the term of five consecutive years, from the conclusion of this Annual General Meeting.

The Company has obtained necessary certificate under Section 141 of the Act 2013 conveying their eligibility for being statutory auditors of the Company 2025-26.

The Auditors' Reports for the financial year 2024-25 do not contain any qualifications, reservations and adverse remarks and the same is attached with the annual financial statements.

Disclosures

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

(a) details relating to deposits covered under Chapter V of the Act;

(b) issue of equity shares with differential rights as to dividend, voting or otherwise;

(c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

(d) raising of funds through preferential allotment or qualified institutions placement;

(e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

(f) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of one-time settlement with any bank or financial institution.

Change of Name of the Company

The Company has not changed its name during the financial year under review.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Details of material related party transactions:

There were no such transactions entered into between the Company and the related parties during the year under review and accordingly no particulars are being provided in Form AOC-2, in terms of section 134(h) of the Act 2013 read with rule 8(2) of the Companies (Accounts) Rules 2014.

Employee's remuneration:

There are currently no employees in the Company, hence the requirement of attaching a statement under Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the details of employee's remuneration is not applicable.

Details of loans / guarantees / investments made:

The disclosure under this head is not applicable as the Company has not extended any guarantee or loans to other companies as per Section 186 of the Act, 2013 for the period ended 31st March 2025.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information and details on conservation of energy, technology absorption do not apply to the Company, as the Company is not a manufacturing company.

Reporting of fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Maintenance of cost records:

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year. Further, companies covered under Table B of Rule 3 to Companies (Cost Records and Audit) Rules, 2014 whose overall annual turnover exceeds 100 Crores are required to get its cost records audited.

The Company's operations do not fall under any of the activities requiring maintenance and subsequent audit of cost records.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company was not required to constitute an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since there are no employees in the Company.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

During the period under review, there was no foreign earning or expenditure in the Company.

Acknowledgement

The directors gratefully acknowledge the continued support and co-operation received from the holding company viz., TVS Credit Services Limited. The directors thank the bankers for their continued support and assistance.

For and on behalf of the Board

Place : Chennai	N Srinivasa Ramanujam	B Rajaram
Date : 26th April 2025	Director	Director
	DIN: 07384809	DIN: 08475988

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2025

To the Members of Harita Two Wheler Mall Private Limited

Report on the Audit of the Stand-alone financial statements

Opinion

We have audited the accompanying standalone financial statements of **Harita Two Wheeler Mall Private Limited** ("the Company"), having its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai-600 006, Tamil Nadu which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Material 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and its loss, total comprehensive loss , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the standalone financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 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.

The 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 Standards on Auditing 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 standalone 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.

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of section 164(2) of the Act;

   (f) Reporting on internal financial controls over financial reporting as on 31st March 2025 does not arise as per Notification GSR 583 E dated 13th June 2017, since the company doesn't satisfy the turnover and borrowings conditions of the above notification;

   (g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors;

   (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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

      (i) There are no pending litigations as at 31st March 2025;

      (ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2025;

      (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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

      (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

      (v) The Company has not declared any dividends during the year;

      (vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN	25027716BMIIMQ5819

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 26th April, 2025

Annexure "A" to Independent Auditors' Report 31st March 2025

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i (a to d) The Company does not own any property plant & equipment, Intangible assets & right to use assets. Accordingly, Clause 3(i)(a) to 3(i)(d) of the Order is not applicable to the company;
(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The Company does not have any inventory. Accordingly, Clause 3(ii)(a) of the Order is not applicable to the company;
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable;

iii. The Company has not made investments and has not provided any Guarantee or security or granted any loans or advances in nature of loans secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties, during the year. Accordingly, the provision of clause 3(iii)(a) to 3 (iii)(f) of the order is not applicable;

iv. In our opinion, the Company has not entered any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence,reporting under clause 3(v) of the Order is not applicable;

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out bythe Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company;

vii. In respect of statutory dues:
(a) According to the records of the Company, the Company does not have the liability to deposit statutory dues including Provident Fund, Employees' State Insurance, Custom duty, Income Tax, Goods and Service Tax and Cess and other material statutory dues with the appropriate authorities;
(b) According to the information and explanations given to us, there are no dues of Income Tax and Goods and Service Tax which have not been deposited on account of any dispute;

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) The Company has not obtained any loans or borrowings from any lender during the year. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable;
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
(c) The Company has not obtained term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable;
(d) The Company has not raised any short-term funds during the year. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable;
(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act;

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable;

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company;

xvi. (a) In our opinion, the Company is not required to be registered
(b) under section 45-IA of the Reserve Bank of India Act, 1934.
(c) Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order
(d) is not applicable;
Based on the information and explanations given to us and as represented by the management of the Company, the Group has 1 Core Investment Company;

xvii. The Company has incurred cash losses during the financial year and in immediately preceding financial year amounting to Rs.12,429 & Rs. 30,826 covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We furtherstate 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. The provision of section 135 of Companies Act, is not applicable to company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable;

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
FRN: 007761S

UDIN	25027716BMIIMQ5819

V. SATHYANARAYANAN
Partner
Membership No. 027716

Place : Bangalore
Date : 26th April, 2025

Balance Sheet as at 31st March 2025

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	As at 31st March 2025	As at 31st March 2024
ASSETS			
Current Assets			
Financial Assets			
Cash and Cash Equivalents	1	239	239
TOTAL ASSETS		**239**	**239**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2	250	250
Other Equity	3	(1,810)	(1,685)
TOTAL EQUITY		**(1,560)**	**(1,435)**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables			
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	4	122	258
b) Total outstanding dues of other than (ii) (a) above		-	-
(iii) Other Financial Liabilities	5	1,677	1,417
TOTAL LIABILITIES		**1,799**	**1,675**
TOTAL EQUITY AND LIABILITIES		**239**	**239**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Chennai
Dated: 26th April, 2025

.

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 25027716BMIIMQ5819

Statement of Profit and Loss for the year ended 31st March 2025

(All numbers are in hundreds unless otherwise stated)

Particulars	Note No	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations		-	-
TOTAL INCOME			
EXPENSES			
Other expenses	6	124	308
TOTAL EXPENSE		**124**	**308**
Profit/(Loss) before tax		**(124)**	**(308)**
Tax expense:		-	-
Profit/(Loss) after tax for the year		**(124)**	**(308)**
Other Comprehensive Income		-	-
Total Comprehensive Income		**(124)**	**(308)**
Earning per equity share:			
Basic & Diluted earnings per share (in Rs)	7	(4.97)	(12.33)

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Chennai
Dated: 26th April, 2025

.

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 25027716BMIIMQ5819

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(All numbers are in hundreds unless otherwise stated)

		Year ended March 31, 2025	Year ended March 31, 2024
A.	**Cash Flow from Operating Activities**		
	1. Profit/(Loss) Before Tax	(124)	(308)
B.	Operating Profit before Working Capital Changes	(124)	(308)
C.	Change in Working Capital		
	(Increase)/Decrease in Loans & Advances		
	Changes in liability arising from financing activities	124	307
	Change in Working Capital	**124**	**307**
D.	Cash generated from Operations (B+C)	-	(1)
E.	**Net Cash from Operating Activities**	**-**	**(1)**
F.	**Net Cash Flow from Financing Activities**		
	Proceeds from Issue of Equity Shares		
	Net Cash from Financing Activities	**-**	**-**
G.	Net Cash Flow from Investing Activities		
	Payments for Property, Plant and Equipment and Investment Property		
	Net Cash from Investing Activities	-	-
H.	**Net change in Cash and Cash Equivalents (E+F+G)**	**-**	**(1)**
I.	**Cash and Cash Equivalents as at End**	**239**	**239**
J.	**Less: Cash and Cash Equivalents as at Beginning**	**239**	**241**
	NET CHANGE IN CASH & CASH EQUIVALENTS (I+J)	**-**	**(1)**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Chennai
Dated: 26th April, 2025

.

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 25027716BMIIMQ5819

STATEMENT OF CHANGES IN EQUITY

(All numbers are in hundreds unless otherwise stated)

A

Equity	Note No.	Amount
Balance as at April 1, 2023	2	250
Changes in Equity share capital during the year	2	
Balance as at March 31, 2024		**250**
Changes in Equity share capital during the year	2	-
Balance as at March 31, 2025		**250**

B

Other Equity	Note No.	Retained Earnings	Total
Balance as at April 1, 2023	3	(1,377)	(1,377)
Total Comprehensive Income	3	(308)	(308)
Balance as at March 31, 2024		**(1,685)**	**(1,685)**
Total Comprehensive Income	3	(124)	(124)
Balance as at March 31, 2025		**(1,810)**	**(1,810)**

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Chennai
Dated: 26th April, 2025

.

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 25027716BMIIMQ5819

Brief Description of the Company:

The Company was incorporated on 22nd August 2017 under the name of Harita two Wheeler Mall Private Limited, wholly owned subsidiary of TVS Credit Services Limited. The Company is yet to commence its business

Material Accounting Policies forming part of Financial Statements

a. Basis of preparation of financial statements

The financial statements are prepared on historical cost convention, on a going concern basis and in accordance with the applicable Indian Accounting Standard (Ind AS) as notified under Section 133 in the Companies Act, 2013. All expenses and income to the extent ascertained with reasonable certainty are accounted for on accrual basis.

b. Use of estimates

The preparation of the financial statements in conformity with the applicable Accounting Standard requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statement. The recognition, measurement, classification or disclosure of an item or information in the financial statement has been made relying on these estimates.

c. Cash Flow Statement

Cash flow statement is prepared under “Indirect Method” and the same is annexed.

d. Contingencies and events occurring after balance sheet date

There are no contingencies that need to be provided as on the balance sheet date.

e. Functional Currency:

Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). i.e in Indian rupees (INR) and all values are rounded off to nearest hundreds except where otherwise indicated.

NOTES TO BALANCE SHEET

(All numbers are in hundreds unless otherwise stated)

	As at 31st March 2025	As at 31st March 2024
1 Cash and cash equivalents		
Balances with banks	239	239
Total cash and cash equivalents	**239**	**239**

2 Share Capital

	Number of Shares	Amount
i) Authorised Share Capital:		
Equity shares of Rs.10/- each	2,500	250
ii) Issued, Subscribed and Fully Paid up Share Capital:		
Equity shares of Rs.10/- each	2,500	250
iii) Movement in equity share capital		
Equity Shares as at April 1, 2023	2,500	250
Additions	-	-
Equity Shares as at March 31, 2024	**2,500**	**250**
Additions	-	-
Equity Shares as at March 31, 2025	**2,500**	**250**

iv) Details of share holders holding more than 5% & Shares held by holding company

Name of the Share Holder	As on March 31, 2024	
	No. of Shares	%
TVS Credit Services Limited	2,500	100%

Name of the Share Holder	As on March 31, 2025	
	No. of Shares	%
TVS Credit Services Limited	2,500	100%

Terms / Rights attached

The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder has a right to participate in General Meeting and is eligible for one vote per share held. Residual interest in the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

	As at 31st March 2025	As at 31st March 2024
3 Other Equity		
Retained Earnings	(1,810)	(1,685)
Total Other Equity	**(1,810)**	**(1,685)**
Retained Earnings		
Opening Balance	(1,685)	(1,377)
Add: Net profit for the year	(124)	(308)
Closing Balance	**(1,810)**	**(1,685)**

4 Trade Payables

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2025				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	100	-	22	-	122
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	100	-	22	-	122

Particulars	Outstanding for the following periods from due date of payment as at 31st march 2024				
	<1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed dues- MSME	-	-	-	-	-
Undisputed dues- Others	118	140	-	-	258
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
TOTAL	118	140	-	-	258

5 Other Financial Liabilities

	Amount as at March 31, 2025	Amount as at March 31, 2024
Payable to Holding Company	1,677	1,417
Total Other Financial Liabilities	**1,677**	**1,417**

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
6 **Other Expenses**		
Professional charges	-	130
Rates and taxes	24	59
Payment to Auditors		
- As Auditor	100	118
Bank Charges	-	1
Total Other Expenses	**124**	**308**

7 Earnings per share (Basic and Diluted)

Earnings attributable to equity share holders	(124)	(308)
Number of Shares	2,500	2,500
Earnings per Share (in Rs.)	(4.97)	(12.33)

Additional Notes forming part of Financial Statements for year ended 31st March 2024

There are no dues to micro medium small enterprises and hence the particulars required under notification no GSR 719(E) dt. 16.11.07 is not furnished.

Related Party Disclosures:

Reporting Entity:

Relationship	Name
Enterprise having Control	TVS Credit Services Limited
Subsidiary Company	Nil
Associate Companies	Nil
Key Management Personnel	Nil

Transactions with Related Parties

(In Hundreds)

Nature of Transaction	Name of the Related Party	Amount (Rs.) FY 2024-25	Amount (Rs.) FY 2023-24
Advance Received	TVS Credit Services Limited	260	189
Balance Payable as at the end of the year	TVS Credit Services Limited	1,677	1,417

3 Additional regulatory information not disclosed elsewhere in the standalone financial statements

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency or Virtual Currency during the year.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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

(f) The Company has not received any fund from any person(s) or entity(is), 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,

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

4 **DISCLOSURE OF RATIOS**

Ratio	Description of numerator	Description of denominator	Ratio 31.03.2025	Ratio 31.03.2024	Variance	Reasons for variance
(a) Current ratio	Current Assets	Current Liabilities	0.13	0.14	-6.91%	Decrease in Liabilities
(b) Debt-equity ratio	Short term borrowings + Long term Borrowings	Shareholders' fund	NA	NA	NA	
(c) Debt service coverage ratio	Profit after Tax + Non Cash Expense + Interest on borrowings + Loss on sale of fixed assets	Interest on term loans + Principal of term loans	NA	NA	NA	
(d) Return on equity ratio	Profit after tax	Equity share capital	0.08	0.21	-62.89%	Decrease in expenes
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	
(f) Trade receivables turnover ratio	Net Credit Sales	Average accounts receivable	NA	NA	NA	
(g) Trade payables turnover ratio	Net Credit Purchase	Average accounts payable	NA	NA	NA	
(h) Net capital turnover ratio	Revenue from Operations	Working Capital	NA	NA	NA	
(i) Net profit ratio	Profit after tax	Revenue from operations	NA	NA	NA	
(j) Return on capital employed	EBIT	Shareholders' fund+ Long term borrowings	7.97%	21.48%	-62.89%	Decrease in expenes
(k) Return on investment	Profit after tax	Equity shareholders' Fund	7.97%	21.48%	-62.89%	Decrease in expenes

As per our report annexed

N SRINIVASA RAMANUJAM
Director
DIN: 07384809

B RAJARAM
Director
DIN: 08475988

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
ICAI Regn No. FRN 007761S

Chennai
Dated: 26th April, 2025

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V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN:

DRIVEX MOBILITY PRIVATE LIMITED

Directors' Report to the Shareholders

Your directors present the Fifth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March 2025.

1. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of procurement and sale of multi-brand pre-owned two-wheelers through the Company's own outlets and its franchisees' outlets. The Company presently has 7 own outlets and 39 franchisee outlets as on 31st March 2025. The Company has its own state-of-the-art refurbishment centers located in Coimbatore and Hosur, wherein the procured two-wheelers are fully refurbished before retailing those vehicles through outlets.

Besides the sale of refurbished two-wheelers through the outlets, the Company also generates revenue by sale of spares, accessories and servicing for all two-wheelers.

During the financial year under review, the Company has become a subsidiary of M/s TVS Motor Company Limited ("TVSM") with effect from 23rd December 2024 by virtue of acquisition of majority shares by TVSM. As on 31st March 2025, TVSM holds 89.40% of the paid-up share capital of the Company.

2. FINANCIAL SUMMARY AND PERFORMANCE

(Rs. In Lakhs)

Particulars	Financial Year (2024-25)	Financial Year (2023-24)
Revenue from Operations	**5997.30**	3398.95
Less: Total Expenses other than Depreciation, Finance Cost & Tax	**11199.29**	7736.64
EBITDA (A)	**(5201.99)**	(4337.69)
Finance Cost	**387.33**	140.68
Depreciation & Amortization Expenses	**672.44**	298.77
Profit or (Loss) Before Tax (PBT) (B)	**(6177.72)**	(4515.40)
Less: Tax expenses (C)	**(1544.73)**	(1416.93)
Profit or (Loss) After Tax (B-C)	**(4632.99)**	(3098.47)
Other Comprehensive Income (Loss)	**3.85**	1.68
Total Comprehensive Income (Loss)	**(4629.14)**	(3096.79)

The summary of financial performance of the Company for the financial year 2024-25, as compared with the previous year, is given below:

- During the financial year 2024-25, the Company has posted a turnover of Rs. 5997.30 Lakhs as against the previous year's turnover of Rs. 3398.95 Lakhs which translates into nearly two-fold growth in terms of operational revenue. A steady increase in the number of outlets combined with the ramping up of its sales plans has helped the Company to achieve this turnover during the financial year 2024-25.
- The Company has detailed plans for further expansion of its operations and to ensure its preparedness, sufficient inventory was stocked up and supporting manpower was added during the financial year 2024-25 which resulted in increase of inventory costs and the employee costs. Consequently, the total expenses of the Company increased to Rs. 12259.06 Lakhs during financial year 2024-25 from Rs. 8176.09 Lakhs incurred during the financial year 2023-24.
- The Company recorded a negative EBITDA of Rs. 5201.99 Lakhs for the period ended 31st March 2025 vis-à-vis the negative EBITDA of Rs.4337.69 Lakhs recorded during the financial year 2023-24.
- Consequently, the net loss of the Company widened to Rs. 4632.99 Lakhs for the financial year 2024-25 as against the previous year's net loss of Rs. 3098.47 Lakhs.
- The Company has posted a Total Comprehensive Loss of Rs. 4629.14 Lakhs for the financial year 2024-25 compared to Total comprehensive loss of Rs. 3096.79 Lakhs during the previous financial year.

3. FUTURE PROSPECTS OF THE BUSINESS:

The Company has moved to its capacity-building stage and is working on enhanced productivity across all steps of the value chain to improve profitability and sales volume going forward. The following are the operational multi-pillars that have been contributing significantly to the growth story of the Company:

- Procurement: The productivity of the existing procurement channels, viz., C2B (Customer-to-Business) and Exchange, has been planned to be increased right from the Evaluator level. This would aid the Company in procuring the right vehicle at the right price. The Dealer Auction Platform, which is the other channel for vehicle procurement, will be used to optimize procurement performance marketing for the Company.
- Refurbishment: The Company looks to upgrade its existing refurbishment centers in terms of layout, process, technology, and KPIs. This will enable the Company to significantly improve ramp productivity and achieve better cost efficiency. Further, the Company will focus more on spare parts management and daily work management using technological advancements.
- Network: During the financial year 2025–26, the Company will target almost doubling its network touchpoints, with a focus on expanding break-even across locations. Further, the Company also plans to expand its network footprint through engagement with third-party partnerships within the automotive ecosystem.
- Sales: In terms of retailing, the Company has planned to increase the sales volume of each existing and new store. Further expansion through third-party partnerships is also being charted out. The Dealer Auction Platform and the C2C (Customer-to-Customer) are new avenues for sales that are being built upon during the ongoing financial year.
- Technology: The Company is working on a comprehensive suite of solutions targeted at customers as well as internal needs. On the external side, the Company will make many changes to its website and app offerings, while internally, the focus will be on improving productivity and efficiency across: Procurement (including AI/ML-based solutions for vehicle procurement), DTC (DTC 2.0 to improve TAT, quality control, cost accuracy, and parts management), and Sales & Service (including digitally and AI-assisted sales).
- Marketing: The Company has charted plans to expand its digital footprint in Tier 1 and Tier 2 cities by engaging with regional platforms through localized content tailored to these regions. Additionally, omnichannel customer engagement via various communication modes, including brand campaigns targeting audiences through Martech, influencers, and PR, has been planned to create a positive and stronger share of voice around the brand. Active use of marketing efforts, focused on social media, below-the-line (BTL) activations, SMS, WhatsApp, and email, will foster ongoing customer engagement and support the brand vision.

4. DIVIDEND

The Directors do not recommend any dividend for the financial year under review, due to absence of profits.

5. TRANSFER TO RESERVES

No amount has been proposed for transfer to Reserves for the year under review.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act 2013 with respect to the transfer of unclaimed dividend to Investor Education and Protection Fund do not apply to the Company during the financial year 2024-25, as the Company has not declared any dividends till date.

7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

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

i) Conservation of Energy:

a) The steps taken or impact on conservation of energy:

- Usage of LED lights across all its facilities which will minimize the consumption of power;
- Installed Effluent Treatment Plant in its refurbishment centers to recycle the wastewater disposed and the treated water is used for watering green landscape surrounding the refurbishment centers;
- Procurement of only 5 star rated inverter type ACs for all its facilities to reduce power consumption;
- Installation of water aerators in outlets to reduce water consumption.

b) the steps taken by the company for utilising alternate sources of energy: Nil

c) the capital investment on energy conservation equipment: Not applicable

ii) Technology absorption:

a) the efforts made towards technology absorption the benefits derived like product improvement, cost reduction, product development or import substitution:

- **Website:**

  The DriveX.in platform was revamped with improved UX, lead funnels, and SEO, alongside the launch of a Progressive Web App (PWA) for seamless mobile access. These changes led to a 95% increase in organic traffic, top Google rankings for 50+ keywords and increased engagement with sellers. The platform now generates 100+ daily finance leads and has standardized digital vehicle listings for greater reach.

- **BikeScan (Inspection App):**

  BikeScan, launched on Android and iOS, has enabled a total 35000+ vehicle inspections across procurement and DTC facilities. Features like AI pricing, automated checklists, and WhatsApp updates have streamlined evaluations. The application generates a standardised Inspection Report for the benefit of the customers.

- **ERPX (Org-Wide ERP):**

  Core ERP modules such as procurement, sales, logistics and DTC has been launched. Further, the Bikescan and DMS has been integrated with ERPX. This has resulted in improved inventory tracking, control, stronger compliance and scalability.

- **Dealer Management System (DMS):**

  DMS supports inventory and sales for COCO and FOFO stores, with live inventory dashboards, GST-compliant invoicing, and QR code-based walk-in lead capture. It reduced vehicle listing time from 2 days to 10 minutes, enabled 98% digital sales with payment, and captured 1,200+ walk-in leads since Feb '25.

b) Technology imported during the last three years reckoned from the beginning of the year under reference – NIL

c) the expenditure incurred on Research and Development – NIL

iii) Foreign exchange earnings and Outgo –

a) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - NIL

9. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company is not required to report on the Corporate Social Responsibility activities as the provisions of Section 135 of the Companies Act, 2013 is not applicable for the current year.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT 2013.

The Company has not made any inter-corporate Loans, Guarantees, or provided securities or made investments under Section 186 of Companies Act 2013, during the period under review.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All the related party transactions entered, during the year, were in the Ordinary Course of Business and on Arm Length's Basis. The particulars of material contracts or arrangements or transactions with related parties, required to be furnished in terms of Section 134 of Companies Act, 2013 are furnished in form AOC – 2 as **Annexure** and the same forms part of this Report.

12. AUDITORS OF THE COMPANY

The members of the Company at its Fourth AGM held on 01st August 2024, has re-appointed M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru holding Firm Registration No. 007761S as Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of the 04th AGM until the conclusion of 09th AGM of the Company to be held in the year 2029 to audit the financial statements of the Company for the financial year from 2024-25 till 2028-29.

13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report on the financial statements of the Company for the financial year 2024-25.

The provisions relating to submission of Secretarial Audit Report are not applicable to the Company for the financial year 2024-25.

14. COMPOSITION OF THE BOARD

The Board of the Company as at the end of the financial year 2024-25, comprised of:

i) **Mr. Sharad Mohan Mishra**, Director (DIN: 09772241)

ii) **Mr. Narain Karthikeyan**, Executive Director (DIN: 01587897)

iii) **Mr. Anuraag Agarwal**, Director (DIN: 06379359)

iv) **Mr. G Parthasarathy**, Director (DIN: 01769831)

v) **Mr. Hormazd Sorabjee**, Director (DIN: 00593311) and

vi) **Mr. S G Murali,** Director (DIN: 00348902)

- Mr. Christopher Anand Sargunam, Executive Director of the Company tendered his resignation from the Board of Directors of the Company with effect from 05th April 2024 due to personal reasons.
- Mr. N Srinivasa Ramanujam, Director of the Company tendered his resignation from the Board of Directors of the Company with effect from 29th April 2024 due to other professional pre-occupations.
- Mr. S G Murali (DIN: 00348902) and Mr. Anurag Malempati (DIN: 06445208) were appointed as Additional Directors by the Board of Directors with effect from 30th April 2024. The appointment of both these directors were regularized by the shareholders at their fourth Annual General Meeting ("AGM") held on 01st August 2024.
- Mr. Narain Karthikeyan and Mr Anurag Malempati resigned from the Board effective 23rd December 2024 in terms of a Share Purchase Agreement executed between the Company, Mr Narain Karthikeyan and TVSM.
- The Board at its meeting held on 23rd December 2024 has re-appointed Mr Narain Karthikeyan as an Additional Director on the Board of Directors of the Company and the shareholders approved his appointment in the Extra-Ordinary General Meeting held on the same day.
- Mr. G Parthasarathy (DIN: 01769831) and Mr. Anuraag Agarwal (DIN: 06379359), Directors of the Company, propose to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment and items to this effect will be included in the notice for the forthcoming AGM.

15. BOARD MEETINGS DURING THE YEAR UNDER REVIEW:

The Company, during the financial year 2023-24, has conducted **EIGHT Board meetings** on the following dates:

i) 30th April 2024

ii) 07th June 2024

iii) 01st August 2024

iv) 04th September 2024

v) 18th October 2024

vi) 23rd January 2025

vii) 14th February 2025

viii) 17th March 2025

16. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

b) the directors had 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 at the end of the financial year 2024-25 and of the loss of the company for that year;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) the directors had prepared the annual accounts on a going concern basis; and

e) 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.

17. HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company did not have any Subsidiary, Associate or Joint Venture Company during the year under review.

18. PUBLIC DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. There were no unclaimed or overdue public deposits as at the close of the year under review.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 of Companies Act, 2013 for appointment of Independent Directors do not apply to the company.

20. SHARE CAPITAL

During the financial year 2024-25, the Company has issued and allotted 3,236 nos. of equity shares of face value Rs. 10 each at a premium of Rs. 123550.52 per share, during the financial year 2024-25.

There were no changes in the Authorized Share Capital of the Company. The Authorized Share Capital of the Company as on 31st March 2025 was Rs. 1,60,30,000 comprising of 1,00,000 equity shares of Rs. 10 each and 15,03,000 compulsorily convertible preference shares of Rs. 10 each. The paid-up equity share capital of the Company as on 31st March 2025 stood at Rs. 2,34,690.

21. SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards for the financial year 2024-25.

22. 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 and tribunals during the year under review, impacting the going concern status and Company's operations in future.

23. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

No frauds have been reported by Auditors during the financial year under review.

24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace. The Company has constituted an Internal Complaints Committee as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and three meetings were held during the financial year 2024-25 with the entire Internal Committee members through online mode on 10th April 2024, 23rd July 2024 and 29th October 2024. During the financial year 2024-25, the Company has not received any complaints on sexual harassment and no complaints remain pending as of 31st March 2025.

25. PARTICULARS OF EMPLOYEES

There were no employees on the rolls of the Company during the Financial Year 2024-25, requiring disclosure under Rule 5, sub-rule (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year ended 31st March 2025.

26. INTERNAL FINANCIAL CONTROLS

The Company has in place proper and adequate internal financial control systems commensurate with the nature of its business, size and complexity of operations. Internal control systems comprise policies and procedures that are designed to ensure reliability of financial reporting, compliance with applicable laws and regulations. Necessary policies and procedures are in place, inter-alia, to ensure that all assets and resources are acquired economically, used efficiently and protected adequately.

27. RISK MANAGEMENT POLICY

Risk management is embedded in the Company's operating framework. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. Also, key business risks and their mitigation measures are considered on a regular basis in the annual/strategic business plans and in periodic management reviews.

28. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2025 will be available on the Company's website at www.drivex.in upon filing the said return with the Registrar of Companies.

29. ACKNOWLEDGEMENTS

Your directors place on record their sincere thanks to its Investor shareholders for posing faith in the business model and prospects of the Company. The Company would like to express gratitude to the various Government authorities, Banks and Financial Institutions, Business Associates, Business partners, Dealers, suppliers, vendors, service providers and Consultants for extending their cooperation and continued support to the Company's business activities during the year under review. Your directors also gratefully acknowledge the efforts of all its employees for their initiatives and contributions to the development and growth of the Company.

For and on behalf of the Board of Directors

Place : Bengaluru
Date: 22nd April 2025

Sharad Mohan Mishra
Director
(DIN: 09772241)

G Parthasarathy
Director
(DIN: 01769831)

Annexure - I
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 arms length transaction under third proviso thereto. (Pursuant to Section 134(3)(m) of the Companies Act, 2013)

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
i)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at an Arm's length basis:

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	TVS Credit Services Limited - Fellow subsidiary
b)	Nature of contracts/arrangements/ transaction	Procurement of vehicles
c)	Duration of the contracts/arrangements/ transaction	2024-25
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	The related party transactions entered during the financial year were in the ordinary course of business and on arm's length basis Transaction Value: Rs. 898.93 Lakhs.
e)	Date of approval by the Board	Since these transactions are in the ordinary course of business and on an arm's length basis, no Board approval is required
f)	Amount paid as advances, if any	Nil.

For and on behalf of the Board of Directors

Place : Bengaluru
Date: 22nd April 2025

Sharad Mohan Mishra
Director
(DIN: 09772241)

G Parthasarathy
Director
(DIN: 01769831)

Independent Auditor's Report to the Members of DRIVEX MOBILITY PRIVATE LIMITED for the year ended 31st March 2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **DRIVEX MOBILITY PRIVATE LIMITED** ("the Company") having its Registered office at, 484, Kamaraj Road, Uppilipalayam, Coimbatore, Tamil Nadu 641015 which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and including a summary of material 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 financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and its loss, its total comprehensive loss , its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report to the Shareholders but does not include the financial statements and our auditor's report thereon. The Annual Report to the Shareholders is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act.

(e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of section 164(2) of the Act.

(f) With respect to the 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

(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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has no pending litigations as at 31st March 2025, except as stated in Note 24

(ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2025.

(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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared any dividends during the year.

(vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm's Registration No.: 007761S

UDIN	25027716BMIIMT1330

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 22nd April 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2025 (Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;

(B) The Company has maintained proper records showing full particulars of intangible assets;

(b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets;

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable;

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 202520 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies noticed on such physical verification, were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account;

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore during the year, from banks on the basis of security of current assets and in our opinion, the quarterly returns or statements filed by the company are in agreement with the books of the accounts;

iii. The Company has not made investments and has not provided any Guarantee or security or granted any loans or advances in nature of loans secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties, during the year. Accordingly, the provision of clause 3(iii)(a) to 3 (iii)(f) of the order is not applicable;

iv. In our opinion, the Company has not entered any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable;

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company;

vii. In respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, and other material statutory dues, as applicable, to the appropriate authorities. There have been marginal delays in some instances; however, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income-tax, Goods and service tax, duty of customs, that have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of Duty/ Tax under Dispute	Nature of the Statute	Period	Forum where dispute is pending	Amount Involved Rs. In Lakhs	Amount Deposited
Income Tax	Income Tax Act 1961	AY 2023-24	Commissioner Appeals	62.93	-
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2021-22	Appellate Authority	18.75	1.87
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2022-23	Appellate Authority	182.55	18.25
Goods and Service Tax	Goods and Service Tax Act, 2017	FY 2023-23	Appellate Authority	284.61	28.46

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) The Company has not defaulted in repayment of loans or borrowings to any lender during the year;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not obtained term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable;

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;

(b) During the year, the Company has made private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised;

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act;

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause 3(xiv)(a) and clause 3(xiv)(b) of the Order is not applicable;

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company;

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable;

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group;

xvii. The Company has incurred cash losses during the financial year and in immediately preceding financial year amounting to Rs 5427.12 & Rs 4147.04 Lakhs covered by our audit;

xviii. There has been no resignation of the statutory auditors of the Company during the year;

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

xx. The provision of section 135 of Companies Act, is not applicable to company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable;

xxi. In our opinion and based on our examination, the Company is not required to prepare consolidated financial statements;

For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm's Registration No.: 007761S

UDIN	25027716BMIIMT1330

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 22nd April 2025

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT – 31st March 2025

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Drivex Mobility Private Limited

We have audited the internal financial controls over financial reporting of Drivex Mobility Private Limited as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls 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 over financial reporting of the Company 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting 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 Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm's Registration No.: 007761S

UDIN	25027716BMIIMT1330

V. Sathyanarayanan
PARTNER
Membership No.027716

Place: Bengaluru
Date: 22nd April 2025

Balance Sheet as at 31st March 2025

(Amount in Rs Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
1 **Non-current assets**			
(a) Property, Plant and Equipment	3A	536.54	475.60
(b) Right of Use Assets	30	697.23	677.25
(c) Capital work in progress	3C	5.96	-
(d) Other Intangible Assets	3B	521.64	295.58
(e) Intangible Assets under development	3D	165.36	333.54
(f) Deferred Tax Assets	4	2,961.07	1,416.34
(g) Financial Assets			
(i) Other Financial Assets	5.1	200.08	117.08
(h) Other Non-Current Assets	6	50.94	24.17
Total Non - Current Assets		**5,138.82**	**3,339.56**
2 **Current assets**			
Inventories	7	1,822.20	2,210.89
(a) Financial Assets			
(i) Trade Receivables	8.1	734.05	80.72
(ii) Cash and Cash Equivalents	8.2	202.25	1,358.52
(iii) Other Financial Assets	8.3	25.59	82.00
(b) Other Current Assets	9	958.11	600.03
Total Current Assets		**3,742.20**	**4,332.16**
Total Assets (1+2)		**8,881.02**	**7,671.72**
EQUITY AND LIABILITIES			
1 **Equity**			
(a) Equity Share capital	10	2.35	2.02
(b) Other Equity	11	3,696.08	4,327.12
Total equity		**3,698.43**	**4,329.14**
LIABILITIES			
2 **Non-current liabilities**			
(a) Financial Liabilities			
(i) Lease Labilities	30	595.71	604.14
(b) Provisions	12	39.41	11.35
Total Non - Current Liabilities		**635.12**	**615.49**
3 **Current liabilities**			
(a) Financial Liabilities			
(i) Short term borrowings	13.1	3,301.03	1,627.38
(ii) Lease Liabilities	30	200.16	135.35
(iii) Trade Payables	13.2		
(A) total outstanding dues of micro enterprises and small enterprises		0.76	3.46
(A) total outstanding dues of creditors other than micro enterprises and small enterprises.		332.58	278.74
(iv) Other Financial Liabilities	13.3	88.76	13.14
(b) Provisions	14	244.16	252.63
(c) Contract Liabilities	15	3.73	11.95
(d) Other Current Liabilities	16	376.29	404.44
Total Current Liabilities		**4,547.47**	**2,727.09**
Total liabilities		**5,182.59**	**3,342.58**
Total Equity and Liabilities (1+2+3)		**8,881.02**	**7,671.72**
See accompanying notes to the financial statements	1&2		-

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 22nd April 2025
Place:Bengaluru
UDIN:25027716BMIIMT1330

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Harisha K
Chief Financial Officer

Rajan Ranjith
Company Secretary

Date: 22nd April 2025
Place:Bengaluru

Date: 22nd April 2025
Place:Bengaluru

Statement of Profit and Loss for the year ended 31st March 2025

(Amount in Rs Lakhs, unless otherwise stated)

Particulars		Note No.	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from Operations	17	5,997.30	3,398.95
II	Other Income	18	84.04	261.73
III	**Total Income (I + II)**		**6,081.34**	**3,660.68**
IV	**EXPENSES**			
(a)	Cost of materials consumed	19	6,846.81	3,863.33
(b)	Employee Benefit Expense	20	2,710.60	2,216.17
(c)	Finance Costs	21	387.33	140.68
(d)	Depreciation and Amortisation expense	3E	672.44	298.77
(e)	Other Expenses	22	1,641.88	1,657.14
	Total Expenses (IV)		**12,259.06**	**8,176.09**
V	**Profit before tax (III - IV)**		**(6,177.72)**	**(4,515.41)**
VI	**Tax Expense**			
(a)	Current tax		-	-
(b)	Deferred tax charge/(credit)	23	(1,544.73)	(1,416.93)
	Total tax expense		**(1,544.73)**	**(1,416.93)**
VII	**Profit after tax for the year (V - VI)**		**(4,632.99)**	**(3,098.48)**
VIII	**Other comprehensive income/(loss)**		**3.85**	**1.68**
A	(i)			
		(a)	5.20	2.27
		(b)	(1.35)	(0.59)
B	(ii)		-	-
IX	**Total Comprehensive Income/(Loss) for the year (VII + VIII)**		**(4,629.14)**	**(3,096.80)**
X	**Earnings/(Loss) per equity share: (in Rs.)**			
			(22,540.18)	(15,313.99)
			(22,540.18)	(15,313.99)
See accompanying notes to the financial statements		1&2		

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 22nd April 2025
Place:Bengaluru
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Harisha K
Chief Financial Officer

Rajan Ranjith
Company Secretary

Date: 22nd April 2025
Place:Bengaluru

Date: 22nd April 2025
Place:Bengaluru

Statement of Changes in Equity

(Amount in Rs Lakhs, unless otherwise stated)

(a) Equity share capital	Amount
As at 1 Apr 23	2.02
Issue of shares	-
31-Mar-24	**2.02**
As at 1-Apr-24	**2.02**
Issue of shares	0.32
As at 31-Mar-25	**2.35**

(b) Other equity		Reserves and Surplus			
Particulars	**Share application money pending allotment**	**Securities premium**	**Retained earnings / (deficit)**	**OCI Reserve**	**Total other equity**
As at 1 Apr 23	-	8,857.09	(1,430.60)	(2.57)	**7,423.92**
Profit/(loss) for the year	-	-	(3,098.48)	-	(3,098.48)
Share application money received	-	-	-	-	-
Allotment of shares	-				-
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	-	1.68	1.68
As at 31-Mar-24	**-**	**8,857.09**	**(4,529.08)**	**(0.89)**	**4,327.12**
Profit/(loss) for the year	**-**	-	(4,632.99)	-	(4,632.99)
Premum on issue of shares	-	3,998.10	-	-	3,998.10
Allotment of shares	-				-
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	-	3.85	3.85
As at 31-Mar-25	**-**	**12,855.19**	**(9,162.07)**	**2.96**	**3,696.08**

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 22nd April 2025
Place:Bengaluru
UDIN:25027716BMIIMT1330

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Harisha K
Chief Financial Officer

Rajan Ranjith
Company Secretary

Date: 22nd April 2025
Place:Bengaluru

Date: 22nd April 2025
Place:Bengaluru

Statement of Cash Flow for the year ended 31st March 2025

(Amount in Rs Lakhs, unless otherwise stated)

	Year ended	Year ended
	45,747.00	**45,382.00**
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	(6,177.72)	(4,515.41)
Adjustments for:		
Depreciation and amortisation expenses	672.44	298.77
Finance costs	387.33	140.68
Interest income	(39.13)	(247.58)
Provision/(reversal of doubtful debts and Bad debts written off)	-	0.50
Other Comprehensive Income	5.20	2.27
Loss on sale of property plant and equipment	-	8.32
Liabilities no longer required written back	6.73	5.53
Operating loss before working capital changes	(5,145.15)	(4,306.92)
Changes in working capital:		
Trade receivables	(653.33)	(41.95)
Other financial assets	(26.59)	1.50
Inventory	388.69	(2,001.21)
Other assets	(382.50)	(363.47)
Trade payables	44.41	85.10
Provisions	19.59	(15.66)
Other liabilities	39.25	48.84
Cash generated from operations	**(5,715.63)**	**(6,593.77)**
Net income tax (paid) / refunded	(2.35)	11.10
Net cash outflow from operating activities (A)	**(5,717.98)**	**(6,582.67)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipment, including capital advances	(606.60)	(657.39)
Proceeds from sale of Property plant and equipment	-	0.27
Interest received	39.13	247.58
Net cash flow used in investing activities (B)	**(567.47)**	**(409.54)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of principal portion lease liabilities	(155.56)	(93.67)
Interest paid on lease liabilities	(77.18)	(68.77)
Net movement in short term borrowings	1,673.65	1,570.70
Proceeds from issue of shares including share application money	3,998.42	-
Finance costs paid	(310.15)	(71.91)
Net cash flow from financing activities (C)	**5,129.18**	**1,336.35**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(1,156.27)**	**(5,655.86)**
Add: Cash and cash equivalents at the beginning of the year	1,358.52	7,014.38
Cash and cash equivalents at the end of the year *	**202.25**	**1,358.52**
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 6.3)	202.25	1,358.52
Cash and cash equivalents as per Cash Flow Statement	**202.25**	**1,358.52**
* Comprises:		
(a) Cash on hand	16.31	3.02
Balances with banks:		
(i) In current accounts	185.94	505.50
(ii) In deposit accounts	-	850.00
Total	**202.25**	**1,358.52**

1. SIGNIFICANT ACCOUNTING POLICIES

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 22nd April 2025
Place:Bengaluru
UDIN:25027716BMIIMT1330

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Harisha K
Chief Financial Officer

Rajan Ranjith
Company Secretary

Date: 22nd April 2025
Place:Bengaluru

Date: 22nd April 2025
Place:Bengaluru

Notes to Financial Statements

(All amounts in Indian rupees Lakhs)

1. Company overview

DriveX Mobility Private Limited ('the Company') was incorporated in 2020 as a Private Limited Company. The Company is engaged in the business of sale of used two wheelers, subscription of two wheelers and sales of two-wheeler parts and service. The Company is headquartered in Coimbatore, India and has operations across India.

2. Basis of preparation

A. Statement of compliance

The Company is a Subsidiary of TVS Motor Company Ltd from 23-12-2024 whose financial statements are prepared in accordance with Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of the Companies Act 2013 (the Act), as amended and other relevant provisions of the Act. Consequently, these financial statements are prepared in accordance with Companies (Indian Accounting Standard) Rules 2015.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are presented in Indian Rupees in lakhs, except share data, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis.

2a. Material Accounting Policies

A. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

B. Property, plant and equipment

a. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, road tax, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under loans and advances. The cost of fixed assets not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

Borrowing costs directly attributable to the acquisition, construction or production of those fixed assets that necessarily take a substantial period to get ready for their intended use, are capitalized. Other borrowing costs are accounted as an expense in the statement of profit and loss.

b. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment are as follows:

Class of assets	Revised life
Building Leased	3
Motor cycles and trucks	6
Office Equipment's	3
Plant and machinery	15
Furniture and fittings	10
Computer equipment	3

* For the above mentioned classes of assets, the Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice, where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation for the period is provided on proportionate basis.

C. Intangible Assets:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Internally generated Intangible Assets:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 38 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred. The intangible assets are amortised on straight line basis over its useful life.The useful life of the Intangible assets are reviewed annually with respect to estimates and changes if any are, being accounted for on a prospective basis

The estimated useful lives are as follows:

Class of assets	Years
Software	3

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

D. Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government

administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payment is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in other comprehensive income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Other long term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurement gains or losses are recognized in profit or loss in the period in which they arise.

E. Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

F. Revenue

Revenue from contracts with customers is recognized upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration which the Company expect to be entitled for those goods/ services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenues when a performance obligation is satisfied.

Revenue on sale of vehicles, spare parts and accessories is recognized when the risk and rewards are transferred to the customer and is accounted net of GST and trade discounts, if any.

Revenue from vehicle subscription is recognized on a periodic basis based on agreement with customers.

Insurance claims accounted on accrual; accrual being reckoned based on subsequent receipts towards claims and provisional liability determined by surveyors.

a) Trade receivables: The timing of revenue recognition, billings and cash collections results in receivables on the Company's Balance Sheet. The Company's receivables are rights to consideration that are unconditional and are net of impairment in the Balance Sheet.

- Impairment of financial assets:
  - The company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 33 details how the company determines whether there has been a significant increase in credit risk.
  - For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

G. Inventories

Inventories are valued on the basis of cost or net realizable value, whichever is less.

Cost for this purpose is arrived at as follows:

In the case of vehicles, valuation is done on a specific identification basis and in the case of spares and accessories and consumables on weighted average basis.

H. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. **Classification and subsequent measurement**

Financial assets

On initial recognition, a financial asset is classified as measured at either at amortized cost, FVTPL or fair value in other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

I. Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

i. the stated policies and objectives for each of such investments and the operation of those policies in practice.

ii. the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

iii. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de recognition is also recognized in profit or loss.

iii) De recognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv) Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

J. Impairment

i. Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured at higher of actual provision or present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off

ii. Impairment of non- financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

K. Leases

Ind AS 116 has replaced existing leases standard with effect from 01.04.2019, Ind AS 17 Leases (Ind AS 17) and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes present value of the lease payment (discounted using incremental borrowing rate) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure

requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company has applied the provisions of this standard only in respect of those lease agreements other than short term leases. Where the non-cancellable period in the lease agreements entered into by the Company are for a period of less than one year, such leases fall within the meaning of short term lease as per the standard and thus qualifies for exemption as per para 5 to 8 of Ind AS 116. Accordingly, this standard is not applied for short term leases.

L. Recognition of interest income

Interest Income: Interest Income is recognized using the time proportion method based on rates implicit in the transaction.

M. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously

N. Borrowings:

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash of assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for over or at least 12 months after the reporting period.

O. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

P. Earnings/loss per share

The basic earnings/loss per share is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises 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 on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

Q. Cash-flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

R. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

3A Property, Plant and equipment

Description of Assets	3A Property, Plant and equipment							3B Intangible assets	
	Plant and Machinery	Furnitures & Fixtures	Computer and Peripherals	Vehicles	Office equipments	Leasehold improvements	Total	Software	Total
I. Deemed Cost as at									
1-Apr-23	36.39	3.96	32.27	25.11	5.34	89.23	192.30	179.90	**372.20**
Additions	50.20	47.42	71.20	(0.00)	29.14	222.07	420.03	204.97	**625.00**
Converted to stock in trade	-	-	-	(15.44)	-	-	(15.44)	-	**(15.44)**
Disposals	-	-	-	-	-	(16.03)	(16.03)	-	**(16.03)**
31-Mar-24	**86.59**	**51.38**	**103.47**	**9.67**	**34.48**	**295.27**	**580.86**	**384.87**	**965.73**
Additions	33.05	20.22	67.81	0	14.64	59.39	195.33	574.93	770.26
Converted to stock in trade	-	-	-	(3.00)	-	-	(3.00)	-	(3.00)
Disposals	-	-	-	-	-		-		-
31-Mar-25	**119.64**	**71.60**	**171.28**	**6.89**	**49.12**	**354.66**	**773.19**	**959.80**	**1,732.99**
II. Accumulated depreciation and impairment as at									
1-Apr-23	5.32	0.13	4.89	12.17	0.14	11.46	34.12	23.55	**57.67**
Depreciation / amortisation expense for the year	(0.15)	3.25	28.27	(1.98)	8.53	44.17	82.08	65.74	147.82
Converted to stock in trade	-	-	-	(5.04)	-	-	(5.04)	-	(5.04)
Eliminated on disposal of assets	-	-	-	-	-	(5.90)	(5.90)	-	(5.90)
31-Mar-24	**5.17**	**3.38**	**33.16**	**5.15**	**8.67**	**49.73**	**105.26**	**89.29**	**194.55**
Depreciation / amortisation expense for the year	6.36	6.17	41.50	(0.00)	13.22	64.01	131.26	348.87	480.13
Converted to stock in trade	-	-	-	0.13	-	-	0.13	-	0.13
Eliminated on disposal of assets	-	-	-	-	-		-		-
31-Mar-25	**11.53**	**9.55**	**74.66**	**5.28**	**21.89**	**113.74**	**236.65**	**438.16**	**674.55**
Carrying amount as at (I-II)									
1-Apr-23	31.07	3.82	27.38	12.95	5.20	77.77	158.18	156.35	314.53
31-Mar-24	81.42	48.00	70.31	4.52	25.81	245.54	475.60	295.58	771.18
31-Mar-25	108.11	62.05	96.62	1.61	27.23	240.92	536.54	521.64	1,058.44

(a) All the above assets are owned by the Company and no assets are given on hire except vehicles which are given on subscription for a period ranging between three months to Twenty Four months

(b) No Property Plant and Equipment and intangible assets are pledged/hypothecated/given as security against loan except movable property, plant & equipment.

		As at 31 March 25	As at 31 March 24
3C	**Capital work in progress**	5.96	-
	Movement in capital work in progress		
	Opening balance	-	5.26
	Additions	59.89	266.34
	Capitalised durig the year	53.93	271.60
	Closing balance	**5.96**	**-**

	Amount of CWIP for a period of				31 March 25
Capital work-in-progress ageing	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	5.96	-	-	-	5.96
Projects temporarily suspended	-	-	-	-	-
	5.96	**-**	**-**	**-**	**5.96**

		As at 31 March 25	As at 31 March 24
3D	**Intangible assets under development**	165.36	333.54
	Movement in capital work in progress		
	Opening balance	333.54	272.45
	Additions	529.97	266.06
	Deletions	133.55	
	Capitalised during the year	564.60	204.97
	Closing balance	**165.36**	**333.54**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

	Amount of CWIP for a period of				31 March 25
Intangible assets under development aging	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	165.36				165.36
Projects temporarily suspended	-	-	-	-	-
	165.36	**-**	**-**	**-**	**165.36**

	Amount of CWIP for a period of				31 March 24
Intangible assets under development aging	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	333.54	-			333.54
Projects temporarily suspended	-	-	-	-	-
	333.54	**-**	**-**	**-**	**333.54**

		Note	Year ended 31-Mar-25	Year ended 31-Mar-24
3E	**Depreciation and Amortisation**			
	Depreciation on:			
	Tangible Assets	3A	131.61	82.08
	Right of use assets	30	191.96	150.95
	Amortisation of intangible assets	3B	348.87	65.74
			672.44	**298.77**

Non-current assets

		As at 31 March 25	As at 31 March 24
4	**Deferred Tax Assets**		
	OCI Remeasurement	-	0.08
	Provision for Leave Encashment	11.32	3.30
	Provision for bad debts	2.50	2.50
	Property, Plant & Equipment	35.98	0.24
	Lease Liabilities and Right of Use Assets	24.82	15.66
	Provisions for Expenses	60.05	1.22
	Provision for Bonus	51.16	
	Income Tax Losses	2,776.54	1,393.34
	Deferred Tax Liability		
	OCI Remeasurement	1.31	-
		2,961.07	**1,416.34**

The major components of deferred tax liabilities and assets arising on account of timing differences are as follows:

	As at 31 March 24	Recognized/ reversed through profit and loss	Recognized in other comprehensive income	As at 31 March 25
Deferred tax assets				
Provision for Leave Encashment	3.30	8.03	-	11.32
Provision for bad debts	2.50	-	-	2.50
Property, Plant & Equipment	0.24	35.74	-	35.98
Lease Liabilities	186.11	14.19	-	200.30
Provisions for Expenses	1.22	58.82	-	60.05
Income Tax Losses	1,393.34	1,383.20	-	2,776.54
Provision for Bonus	-	51.16	-	51.16
Deferred Tax Liability				
Right of Use Assets	170.45	5.03	-	175.48
OCI Remeasurement	(0.08)	0.03	1.35	1.31
Total	**1,416.34**	**1,546.08**	**(1.35)**	**2,961.06**
Net deferred tax liability/ (asset)	**1,416.34**	**1,546.08**	**(1.35)**	**2,961.06**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

5 Financial Assets

5.1 Other Financial Assets	As at 31 March 25	As at 31 March 24
Office lease security deposits	169.13	77.28
Other security deposits	3.20	3.00
Deposit with Bank*	-	10.00
Prepaid rent	27.75	26.80
	200.08	**117.08**

*In FY 2023-24 Deposit against Bank Gurantee issued in favour of supplier credits

6 Other Non-Current Assets	As at 31 March 25	As at 31 March 24
Capital Advance	-	3.29
Statutory Deposit	48.59	
Advance Tax and Tax Deducted at Source (Net of Provision for Income Tax) [Refer note (i) below]	2.35	20.88
	50.94	**24.17**
Note (i)		
Advance Tax and Tax Deducted at Source	2.35	20.88
Provision for Tax	-	-
	2.35	**20.88**

Current Assets

7 Inventories	As at 31 March 25	As at 31 March 24
Inventory of Vehicles	1,735.27	2,144.25
Inventories of spares and consumables	86.92	66.64
[Lower of cost or net realisable value]		
	1,822.20	**2,210.89**

8 Financial Assets

8.1 Trade Receivables (Unsecured)	As at 31 March 25	As at 31 March 24
(i) Other trade receivables:		
Unsecured, considered good *	734.05	80.72
Unsecured, considered doubtful	9.92	9.92
	743.97	**90.64**
Less: Allowance for expected credit losses	(9.92)	(9.92)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
	734.05	**80.72**

* Refer note 28(b) for receivables from Related Parties

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

	Not Yet due	Outstanding for following period from due date of payment < 6 months	6 months - 1 year	1-2 years	2-3 years	Total
31-Mar-25						
Undisputed trade receivables	413.65	321.82	0.02	8.47	-	743.97
	413.65	**321.82**	**0.02**	**8.47**	**-**	**743.97**
31-Mar-24						
Undisputed trade receivables	-	88.37	2.00	0.26	-	90.64
Total	**-**	**88.37**	**2.00**	**0.26**	**-**	**90.64**

Movement in expected credit loss allowance	As at 31 March 25	As at 31 March 24
Balance at the beginning of the year	9.92	9.44
Expected credit losses for the year	-	0.48
Provision for expected credit losses written back	-	-
Balance at the end of the year	**9.92**	**9.92**

There are no disputed receivable, nor any receivable from the directors.

8.2 Cash and Cash Equivalents	As at 31 March 25	As at 31 March 24
Cash on hand	16.31	3.02
Balances with banks :		
(i) In current accounts	185.94	505.50
(iii) In deposit accounts*	-	850.00
	202.25	**1,358.52**
Of the above, balances that meet the definition of cash and cash equivalents as per Ind AS 7	202.25	1,358.52

*Out of the above deposit amount,in FY 2023-24 Rs.500 Lacs was given as security deposit against overdraft facility obtained from Axis Bank Ltd. for Working Capital purposes

8.3 Other Financial Assets	As at 31 March 25	As at 31 March 24
(Unsecured and considered good, unless stated otherwise)		
Interest accrued on deposits	9.27	3.03
Trade advances *	-	30.82
Other advances**	4.20	39.83
Prepaid rent	12.12	8.56
	25.59	**82.00**

* Refer Note 28(b) for receivables from related parties

**Include salary advances to employees of Rs.4.20 Lacs

9 Other Current Assets (Unsecured) Considered good	As at 31 March 25	As at 31 March 24
Prepaid Expenses	85.42	84.09
Advance to suppliers	58.57	13.11
Gratuity Fund	17.83	21.44
Claim Receivable	11.60	
Balance receivable from government authorities		
- GST receivable	784.69	481.39
	958.11	**600.03**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

10 Equity Share Capital	As at 31 March 25 Number of shares	As at 31 March 24 Amount	As at 31 March 24 Number of shares	As at 31 March 24 Amount
(a) Authorised:				
(i) Equity Share Capital				
Equity Shares of Rs.10/- each with voting rights	1,00,000	10.00	1,00,000	10.00
Compulsory Convertible Preference Shares of Rs. 10/- each	15,03,000	150.30	15,03,000	150.30
Total		**160.30**		**160.30**
(b) Issued, Subscribed and Fully paid-up:				
(i) Equity Share Capital				
Equity shares of Rs.10/- each with voting rights	23,469	2.35	20,233	2.02
Total		**2.35**		**2.02**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 25 Number of shares	As at 31 March 25 Amount	As at 31 March 24 Number of shares	As at 31 March 24 Amount
Equity shares of Rs. 10/- each				
At the beginning of the year	20,233	2.02	20,233	2.02
Add: Issued during the year	3,236	0.32	-	-
Add: Conversion of preference shares to equity shares	-	-	-	-
Outstanding at the end of the year	**23,469**	**2.35**	**20,233**	**2.02**

(ii) Terms / rights attached to the Equity Shares:

Rights, preferences and restrictions attached to shares Equity Shares: The Company has only one class of equity share, having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholders holding more than 5% of the share capital:

Name of the Shareholder	As at 31 March 25 Number of shares held	As at 31 March 25 % of holding	As at 31 March 24 Number of shares held	As at 31 March 24 % of holding
Equity Shares of Rs.10/- each with voting rights				
TVS Motor Company Limited	20,981	89.40%	9,766	48.27%
Narain Karthikeyan	2,021	8.61%	9,435	46.63%

Other Equity	As at 31 March 25	As at 31 March 24
Securities premium account	12,855.18	8,857.08
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.		
Retained earnings/(deficit)	(9,159.10)	(4,529.96)
Retained earnings/(deficit) comprise of the Company's current and prior years' undistributed earnings after taxes or accumulated losses.	**3,696.08**	**4,327.12**

	As at 31 March 25	As at 31 March 24
Securities premium account		
Opening balance	8,857.08	8,857.08
Add: Premium on issue of shares during the year	3,998.10	-
	12,855.18	**8,857.08**
Retained earnings/(deficit)		
Opening balance	(4,529.07)	(1,430.59)
Profit/(loss) for the period/year	(4,632.99)	(3,098.48)
Closing balance	**(9,162.06)**	**(4,529.07)**
Other Comprehensive Income		
Opening balance	(0.89)	(2.57)
Remeasurements of the defined benefit liabilities / (asset) net of tax	3.85	1.68
	2.96	**(0.89)**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Non-current Liabilities

Provisions	As at 31 March 25	As at 31 March 24
(a) Provision for employee Benefits		
Provision for Leave Encashment	39.41	11.35
[Refer note 26]	**39.41**	**11.35**

Current Liabilities

Financial Liabilities

13.1 Short-term borrowings

	As at 31 March 25	As at 31 March 24
Borrowings from Banks*	3,301.03	1,627.38
	3,301.03	**1,627.38**

* Includes the below sancitioned facilities

Name of Lender	Type of Facility	Sancition Limit	Interest Rate	Outstanding Amount	Repayment Terms	Securtiy
IDFC First Bank Ltd.	Overdraft/Working Capital Demand Loan/Short Term Loan	2,000.00	10.50%	1,976.35	On demand	Note 1
DBS Bank India Ltd.	Overdraft/Working Capital Demand Loan	3,000.00	10.05%	911.77	On demand	Note 1
Axis Bank Ltd.	Overdraft	2,000.00	9.45%	412.92	On demand	Note 1

*Note 1 Pari passu charge on current assets and moveable fixed assets of the company .

13.2 Trade Payables

	As at 31 March 25	As at 31 March 24
Trade payables		
Total outstanding dues of micro and small enterprises	0.76	3.46
Total outstanding dues of creditors other than micro and small enterprises	332.58	278.74
	333.34	**282.20**

* Refer Note 28(b) for payable to Related Parties

	Outstanding for following period from due date of payment						
	Not yet due	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
31-Mar-25							
Total outstanding dues of micro and small enterprises	0.76	-	-	-	-	-	0.76
Total outstanding dues of creditors other than micro and small enterprises	236.59	95.99	-	-	-	-	332.58
Total	**237.35**	**95.99**	**-**	**-**	**-**	**-**	**333.34**
31-Mar-24							
Total outstanding dues of micro and small enterprises	3.46	-	-	-	-	-	3.46
Total outstanding dues of creditors other than micro and small enterprises		220.01	58.73	-	-	-	278.74
Total	**3.46**	**220.01**	**58.73**	**-**	**-**	**-**	**282.20**

13.3 Other Financial Liabilities

	As at 31 March 25	As at 31 March 24
Payable towards purchase of property plant and equipment	1.26	2.82
Other Financial Liabilities	87.50	10.32
	88.76	**13.14**

Contract liabilities

	As at 31 March 25	As at 31 March 24
Unearned revenue	3.73	11.95
	3.73	**11.95**

Provisions

	As at 31 March 25	As at 31 March 24
Provision for employee benefits		
Provision for leave encashment	5.57	1.75
Provision for gratuity [Refer note 26]	-	-
Provision for expenses	238.59	250.88
	244.16	**252.63**

Other Current Liabilities

	As at 31 March 25	As at 31 March 24
Statutory remittances	71.22	88.92
Advance from customers	-	17.67
Payable to Employees	203.28	212.58
Security deposit received	101.79	85.27
	376.29	**404.44**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

14. Revenue from Operations

	Year ended 31-Mar-25	Year ended 31-Mar-24
Revennue from contract with customers		
Sale of products		
Sale of vehicles	5,839.45	3,269.13
Sale of Spares & Accessories	101.97	57.48
Sale of services		
Income from vehicle services	22.69	20.88
Royalty & DMS Charges	27.62	48.59
Other operating income		
Sale of scrap	5.57	2.87
	5,997.30	**3,398.95**

(i) Disaggregation of revenue from contracts with customers

Revenue from customers		
Sale of vehicles	5,941.42	3,326.61
Income from Vehicle Services	22.69	20.88
Others	27.62	48.59
Sale of scrap	5.57	2.87
	5,997.30	**3,398.95**
Time of revenue recognition		
-At a point in time	5,946.99	3,329.48
-Over time	50.31	69.47

(ii) Contract balances

The Company earns revenue from sale of refurbished vehicles, Subscription of Refurbished Vehicles and through Royalty for sales done by franchisee dealers. The significant performance obligation of the Company is to sell refurbished vehicles and rent them. Sale of refurbished vehicles are fulfilled at a point in time and renting and Royalty are fulfilled over a period of time. There are no material unsatisfied performance obligations or reconciling items between the amounts recognised as revenue and contract price as at 31 Mar 25 and 31 Mar 24.

Contract assets		
Trade receivables (Refer note (i) below)	743.97	90.64
	743.97	**90.64**
Contract liabilities		
Advance from customers	-	17.67
Unearned revenue	3.73	11.95

(i) Trade receivables are non-interest bearing and are generally on credit terms of upto 30 days.

(ii) Unbilled revenue pertains to transactions where performance obligation has been satisfied and contractual invoices have not been raised.

Movement in contractual liabilities	Year ended 31-Mar-25	Year ended 31-Mar-24
Opening balance	11.95	15.00
Revenue recognised during the year	11.95	15.00
Liabilities recognised during the year	3.73	11.95
	3.73	**11.95**

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less.

15. Other income

		Year ended 31-Mar-25	Year ended 31-Mar-24
(a)	Interest income from		
	-bank deposits	39.13	247.58
	-financial assets at amortised cost	9.45	6.49
	-income tax refund	0.89	1.03
(b)	Liabilities no longer required written back	6.73	5.53
(c)	Commission Income	14.82	-
(d)	Miscellaneous income	13.02	1.10
		84.04	**261.73**

16. Cost of goods sold

	Year ended 31-Mar-25	Year ended 31-Mar-24
Opening stock	2,210.89	209.68
Purchase of vehicles consumables and spares	5,608.03	5,535.68
Refurbishment expenses	850.08	328.86
Closing stock	(1,822.20)	(2,210.89)
	6,846.81	**3,863.33**

*Refer Note 28(b) for purchases from related parties

17. Employee Benefit Expenses

	Year ended 31-Mar-25	Year ended 31-Mar-24
Salaries, wages and bonus	2,440.14	2,008.21
Contributions to provident fund	98.82	65.78
Gratuity expenses	38.57	21.68
Staff welfare expenses	133.07	120.50
	2,710.60	**2,216.17**

*Refer Note 28(b) for amount paid to KMP

18. Finance costs

	Year ended 31-Mar-25	Year ended 31-Mar-24
Interest on borrowings	310.15	72.57
Interest on lease liabilities *	77.18	68.11
	387.33	**140.68**

*Refer Note 30

19. Other expenses

	Year ended 31-Mar-25	Year ended 31-Mar-24
Rent expenses	104.42	119.31
Power, fuel and water charges	33.90	33.10
Repairs and Maintenance - Others	49.34	34.17
Rates and Taxes	8.78	35.78
Subcontracting charges	89.32	85.27
Technical & Subscription Charges	169.35	120.17
Intangible assets written off *	133.55	181.67
Travelling and Conveyance	197.51	207.55
Marketing Expenses	706.09	689.63
Professional / Consultancy / Technical fees	125.31	105.43
Payments to Auditors (refer note below)	5.40	3.40
Provision for doubtful receivables	-	0.50
Miscellaneous Expenses**	18.91	41.16
Total	**1,641.88**	**1,657.14**

* Intangible assets written off pertains to Project discontinued

** Miscellaneous Expenses forms 1% of total expenses.

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

20.		Year ended 31-Mar-25	Year ended 31-Mar-24
	Payments to auditors comprises (net of GST input credit, where applicable):		
	Statutory Audit fees	5.00	3.00
	Tax Audit fees	0.40	0.40
	Total	**5.40**	**3.40**
	*Refer Note 28(b) for payment to related parties		

23	**Income tax expenses**		
A	**Particulars**	**31-Mar-25**	**31-Mar-24**
I	**Tax expense recognized in the Statement of Profit and Loss:**		
	Current tax expense:		
	i. Current tax on profit for the year	-	-
	ii. Tax relating to earlier years	-	-
	Deferred tax expense:		
	Deferred tax expenses	(1,544.73)	(1,416.93)
	Total tax expense recognized in the Statement of Profit and Loss	**(1,544.73)**	**(1,416.93)**
II	**Tax expense recognized in other comprehensive income**		
	Items that will not be reclassified to profit and loss		
	Remeasurements of the defined benefit liabilities / (asset)	5.20	2.27
	Income tax relating to items that will not be reclassified to profit or loss	(1.35)	(0.59)
	Total Tax expense recognized in other comprehensive income	**3.85**	**1.68**

B. Effective Tax Rate

Reconciliation of tax expense and the accounting profit for the year is under.

Particulars	**31-Mar-25**	**31-Mar-24**
Accounting profit before income tax expenses	(6,177.7)	(4,515.4)
Enacted tax rate in India (%)	25.17%	25.17%
Computed expected tax expense	(1,554.81)	(1,136.44)
Tax effect of :		
- Expenses that are not deductible in determining taxable profit	-	-
- Bought forward losses	5.66	-
- Warranties	-	-
- Impact of rate change	-	-
- Others	4.41	(280.49)
Tax expenses recognized in statement of profit and loss	**(1,544.73)**	**(1,416.93)**
Effective tax rate (%)	**25.00%**	**31.38%**

Note	Particulars	31-Mar-25	31-Mar-24
24	**Contingent liabilities and commitments (to the extent not provided for)**		
(i)	Contingent liabilities:		
(a)	Bank Guarantees	-	12.00
(b)	Disputed Tax Liabilities under:		
	Goods and Services Tax	490.11	-
(ii)	Commitments: Capital commitments	1.36	6.58

25 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	31-Mar-25	31-Mar-24
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.76	3.46
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) 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	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

26 Employee benefit plans

26.1.a Defined contribution plans

The Company makes Provident Fund scheme contributions to defined contribution plans and Employee State insurance scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of Profit and Loss.

Particulars	**Year ended 31-Mar-25**	**Year ended 31-Mar-24**
Provident fund	65.50	64.26
Employee state insurance	0.06	1.50
Labour welfare fund	0.14	0.02

26.1.b Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Company provides for Gratuity, a defined benefit retirement plan (Gratuity plan) to the employees who are in continuous service for a period of more than 5 years. The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through valuation carried out by actuary included as part of 'Gratuity expenses' in Note 18 Employee benefit expense. Under this plan, the settlement obligation remains with the Company. This is a funded plan.

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

A Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

C Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

D Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

E The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

F The gratuity is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The following table sets out the movement of the defined benefit obligation:

Particulars	Year ended 31-Mar-25	Year ended 31-Mar-24
Components of employer expense		
Current service cost	38.00	21.45
Past service cost	-	-
Interest cost	2.01	0.23
Net transfer of asset/(liability)	(1.44)	-
Recognised in statement of profit and loss	38.57	21.68
Re-measurement - actuarial (gain)/loss recognised in OCI	(5.20)	(2.27)
Total expense recognised in the Statement of total comprehensive income	**33.37**	**19.41**
Other Comprehensive Income (OCI)		
Actuarial (gain)/loss due to DBO experience	(7.36)	(3.21)
Actuarial (gain)/loss due to DBO assumption changes	2.17	0.94
Actuarial (gain)/loss arising during period	(5.20)	(2.27)
Actuarial (gains)/ losses recognized in OCI	**(5.20)**	**(2.27)**

Defined Benefit Cost	31-Mar-25	31-Mar-24
Service cost	38.00	21.45
Net interest on net defined benefit liability / (asset)	2.01	0.23
Actuarial (gains)/ losses recognized in OCI	(5.20)	(2.27)
Defined Benefit Cost	**34.81**	**19.41**

Change in defined benefit obligation (DBO) during the year		
Present value of DBO at beginning of the year	27.59	8.17
Current service cost	38.00	21.45
Past service cost	-	-
Interest cost	2.01	0.23
Actuarial (gains) / losses	(5.20)	(2.27)
Benefits paid	(1.07)	-
Present value of DBO at the end of the year	**61.33**	**27.59**
Actual contribution and benefit payments for year		
Actual benefit payments	1.07	-
Actual contributions	30.39	45.53

Change in fair value of assets during the year		
Plan assets at beginning of the year	49.03	3.49
Expected return on plan assets	0.81	-
Actual company contributions	30.39	45.53
Employer direct benefits payment	-	-
Actuarial gain / (loss)	-	-
Benefits paid	(1.07)	-
Plan assets at the end of the year	**79.16**	**49.03**
Actual return on plan assets	0.81	-

Current and Non Current Liability portion		
Particulars		
Current Liability	(0.41)	(0.38)
Non Current Asset/ (Liability)	(60.93)	(27.59)
Net Asset/(Liability)	(61.34)	(27.96)
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	61.33	27.59
Fair value of plan assets	79.16	49.03
Funded status [Surplus / (Deficit)]	17.83	21.44
Net asset / (liability) recognised in the Balance Sheet	**17.83**	**21.44**

Actuarial assumptions	31-Mar-25	31-Mar-24
Discount rate	6.95%	7.20%
Attrition rate (based on age group)		
21-30	15.00%	15.00%
31-34	10.00%	10.00%
35-44	5.00%	5.00%
45-50	3.00%	3.00%
51-54	2.00%	2.00%
55-57	1.00%	1.00%
Salary escalation	8.00%	8.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

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

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity Plan	31-Mar-25	31-Mar-24
Estimate value of obligation if discount rate is taken 0.5% higher	57.10	26.13
Estimated value of obligation if discount rate is taken 0.5% lower	66.00	29.98
Estimate value of obligation if salary growth rate is taken 0.5% higher	65.72	29.87
Estimate value of obligation if salary growth rate is taken 0.5% lower	57.30	26.13
Estimate value of obligation if attrition rate is taken 50% higher	54.32	25.19
Estimate value of obligation if attrition rate is taken 50% lower	69.91	31.29
Estimate value of obligation if Mortality rate is taken 10% higher	61.33	27.96
Estimate value of obligation if Mortality rate is taken 10% lower	61.35	27.96

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis. This sensitivity change may not be representative of actual change in defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another.

Maturity profile of defined benefit obligation (undiscounted):

Maturity profile, if it ensues	31-Mar-25	31-Mar-24
1 year	0.41	0.38
2-5 years	11.99	4.02
6-9 years	20.05	13.78
10 years and more	170.12	72.97

Compensated absences	**31-Mar-25**	**31-Mar-24**
Compensated absences recognised in statement of Profit & Loss Account	33.20	(7.48)
Closing balance of Compensated absences provisions	44.98	13.10

The leave obligations cover the Company's liability for earned leaves of employees. The provision balance is presented as current and non current, though the Company does not have an unconditional right to defer settlement for any of these obligations since, based on past experience, the Company does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

27 The Board of Directors being Chief Operating Decision Maker of the Company has identified the segment of the company primarily relating to refurbishing of vehicles. Geographical revenues and receivable are allocated based on the location of the customer. The Company operates in only one geagraphy which is India.

28 Related Party Transactions

A. **Details of Related Parties:**

Name of related parties	**Description of relationship**
TVS Motor Company Ltd	Holding Company [With effect from 23 December 2024]
TVS Credit Services Ltd	Subsidiary of TVS Motor Co Ltd. [With effect from 15 October 2022]
Nkars Online Pvt Ltd	Enterprises in which Key Management Personnel exercises significant influence (Ceased to be KMP w.e.f 23rd December 2024)
N K Racing Academy	Enterprises in which Key Management Personnel exercises significant influence (Ceased to be KMP w.e.f 23rd December 2024)
RND Ventures Pvt Ltd.	Enterprises in which Key Management Personnel along with his relatives exercises significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Leap India Food & Logistics Pvt.Ltd (Leap IFL)	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Leap Agri Logistics Delhi Pvt.Ltd	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Leap Agri Logistics Guwahati Pvt.Ltd	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Leap Agri Logistics Ludhiana Pvt.Ltd	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Pipavav Leap Agri Logistics Pvt.Ltd	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Sri Karthikeya Spinning & Weaving Mills Pvt Ltd	Enterprises in which Key Management Personnel and his relatives exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
G Ramaswamy Naidu Matric HR Sec School	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
RND Softtech Private Limited	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Karthikeya Spinners	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
P.S. Govindaswamy Naidu Sons' Charities	Enterprises in which relative of Key Management Personnel exercise significant influence (Ceased to be KMP w.e.f 23rd December 2024)
Mr.Narain Karthikeyan	Key Management Personnel - Director (Ceased to be KMP w.e.f 23rd December 2024)
Mr. Harisha K	Key Management Personnel - Chief Financial Officer
Mr. Ranjith R	Key Management Personnel - Company Secretary

B. **Details of transactions during the year and balance outstanding as at the balance sheet date:**

Related parties	**31-Mar-25**	**31-Mar-24**
Income from Vehicle Subscription		
Leap Agri Logistics Delhi Pvt.Ltd	-	0.04
Leap Agri Logistics Guwahati Pvt.Ltd	-	0.08
Leap Agri Logistics Ludhiana Pvt.Ltd	-	0.16
Leap India Food & Logistics Pvt.Ltd	-	0.16
RND Softtech Private Limited	0.42	0.48
Pipavav Leap Agri Logistics Pvt.Ltd	-	0.18
Sri Karthikeya Spinning & Weaving Mills Pvt Ltd	0.28	0.66
Purchase Vehicle:		
TVS Credit Services Ltd	898.93	2,929.51
TVS Motor Company Ltd	25.78	-
Payment of Rent:		
Karthikeya Spinners	0.18	0.18
Payment for Services:		
Narain Karthikeyan	29.70	-
Expenses Reimbursements:		
Narain Karthikeyan	0.94	1.21
Remunaration:		
Key Managerial Personnel	**121.00**	**243.24**
	1102.97	**3,201.62**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Outstanding balances as at

Particulars	Related Party	31-Mar-25	31-Mar-24
Trade Payable	Karthikeya Spinners	0.02	-
	Mr.Narain Karthikeyan	9.92	-
	RND Softtech Private Limited	0.04	0.16
	Sri Karthikeya Spinning & Weaving Mills Pvt Ltd	0.42	0.42
Other Receivables	TVS Credit Services Ltd	-	30.82

Notes:

i. Related parties have been identified by the Management.

ii. Information relating to remuneration does not include compensated absence which are provided on an overall basis based on actuarial valuation.

iii. No amount is/ has been written off or written back during the year in respect of dues from/ to related parties.

29 Earnings per equity share (EPS)

	Year ended 31-Mar-25	Year ended 31-Mar-24
Profit \ (Loss) attributable to equity shareholders	(4,632.99)	(3,098.48)
Weighted average number of equity shares for calculating:		
Basic earnings per share (Nos.)	23,469	20,233
Diluted earnings per share (Nos.)	23,469	20,233
Par value per equity share (Rs.)	10	10
Earnings/(loss) per share		
- Basic (Rs.)	(22,540.18)	(15,313.99)
- Diluted (Rs.)	(22,540.18)	(15,313.99)

30 On 30 March 2019, the Ministry of Corporate Affairs had notified Ind AS 116, Leases, replacing the existing leases standard, Ind AS 17, Leases, and related interpretations. The new lease standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Under the previous GAAP, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

Full retrospective : Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Modified retrospective : Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Company has adopted modified retrospective approach

The Company has entered into leasing arrangements in respect of office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

The following is the summary of practical expedients elected by the Company on the initial application:

Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

a. The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

	Year ended 31-Mar-25	Year ended 31-Mar-24
Movement in right-of-use assets and lease liabilities during the year:		
Right-of-use assets - Buildings		
Gross block		
Opening balance	855.35	324.99
Additions	211.94	554.64
Deletions	-	24.28
Closing balance	**1,067.29**	**855.35**
Accumulated depreciation		
Opening balance	178.10	27.15
Depreciation for the year	191.96	150.95
	370.06	**178.10**
Net block	**697.23**	**677.25**

	Year ended 31-Mar-25	Year ended 31-Mar-24
Lease liabilities - Buildings		
Opening balance	739.48	291.30
Additions	211.94	573.41
Deletions	-	(19.50)
Interest	77.18	68.11
Lease payments	(232.74)	(173.84)
Closing balance	**795.87**	**739.48**
Current	200.16	135.35
Non-current	595.71	604.13

Maturity analysis of lease payment and short term and low value leases	31-Mar-25	31-Mar-24
1 year	200.16	135.35
1 to 5 years	595.71	604.13
More than 5 years	-	

	Year ended 31-Mar-25	Year ended 31-Mar-24
Amount Recognised in statement of profit and loss		
Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss	104.42	119.31
Depreciation on right of use assets	191.96	150.95
Interest on lease liabilities	77.18	68.11

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

31 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:

Particulars	Carrying value as at	
	31-Mar-25	31-Mar-24
Amortised Cost		
Trade receivable	734.05	80.72
Cash and cash equivalents including margin money	202.25	1,358.52
Other financial assets	25.59	82.00
Office lease security deposits	169.13	77.28
Other security deposits	3.20	3.00
Deposit with Bank	-	10.00
Prepaid Rent	27.75	26.80
Total Assets	**1,161.96**	**1,638.31**
Financial liabilities		
Amortised Cost		
Lease liabilities	795.87	739.49
Short Term borrowings	3,301.03	1,627.38
Trade payables	333.34	282.20
Other financial liabilities	88.76	13.14
Total Liabilities	**4,519.00**	**2,662.21**

The management assessed that fair value of cash and short-term deposits, trade receivables and loans, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of long term lease liabilities are not expected to undergo change.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32 Fair Value Hierarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, finance lease payables,trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements.

	As at 31st Mar, 2025			As at 31st Mar, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets :						
Trade Receivables	-	-	734.05	-	-	80.72
Cash and Cash Equivalents	-	-	202.25	-	-	1,358.52
Interest accrued on deposits			9.27			3.03
Trade advances	-	-	-	-	-	30.82
Other advances	-	-	4.20	-	-	39.83
Office lease security deposits	-	-	169.13	-	-	77.28
Other security deposits	-	-	3.20	-	-	3.00
Deposit with Bank	-	-	-	-	-	10.00
Prepaid Rent	-	-	39.87	-	-	35.36
Total	**-**	**-**	**1,161.97**	**-**	**-**	**1,638.56**
Financial liabilities						
Short term borrowings	-	-	3,301.03	-	-	1,627.38
Lease Liabilities	-	-	795.87	-	-	739.49
Trade Payables	-	-	333.34	-	-	282.20
Payable towards purchase of property plant and equipment	-	-	1.26	-	-	2.82
Other financial liabilities	-	-	87.50	-	-	10.32
Total	**-**	**-**	**4,519.00**	**-**	**-**	**2,662.21**

The fair value of loan, cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. These financial asset & liabilities have been classified as Level 3.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31st Mar, 2025	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Office lease security deposits	-	-	-	-
Total financial assets	**-**	**-**	**-**	**-**
Financial liabilities at FVTPL:				
Lease Liabilities	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

Assets and liabilities which are measured at amortised cost

As at 31st Mar, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Trade Receivables	-	-	734.05	734.05
Cash and Cash Equivalents	-	-	202.25	202.25
Interest accrued on deposits	-	-	9.27	9.27
Trade advances	-	-	-	-
Other advances	-	-	4.20	4.20
Other security deposits	-	-	3.20	3.20
Deposit with Bank	-	-	-	-
Prepaid Rent	-	-	39.87	39.87
Total financial assets	**-**	**-**	**992.84**	**992.84**
Financial Liabilities				
Short term borrowings	-	-	3,301.03	3,301.03
Trade Payables	-	-	333.34	333.34
Payable towards purchase of property plant and equipment	-	-	1.26	1.26
Other financial liabilities	-	-	87.50	87.50
Total financial liabilities	**-**	**-**	**3,723.13**	**3,723.13**

As at 31st Mar, 2024	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Office lease security deposits	-	-	-	-
Total financial assets	**-**	**-**	**-**	**-**
Financial liabilities at FVTPL:				
Lease Liabilities	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**

Assets and liabilities which are measured at amortised cost

As at 31st Mar, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Trade Receivables	-	-	80.72	80.72
Cash and Cash Equivalents	-	-	1,358.52	1,358.52
Interest accrued on deposits	-	-	3.03	3.03
Trade advances	-	-	30.82	30.82
Other advances	-	-	39.83	39.83
Other security deposits	-	-	3.00	3.00
Deposit with Bank	-	-	10.00	10.00
Prepaid Rent	-	-	35.36	35.36
Total financial assets	**-**	**-**	**1,561.28**	**1,561.28**
Financial Liabilities				
Short term borrowings	-	-	1,627.38	1,627.38
Trade Payables	-	-	282.20	282.20
Payable towards purchase of property plant and equipment	-	-	2.82	2.82
Other financial liabilities	-	-	10.32	10.32
Total financial liabilities	**-**	**-**	**1,922.72**	**1,922.72**

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

33 Financial Risk Management

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The Company uses foreign currency forward contracts to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment securities, loans and other financial assets. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The major exposure to the credit risk at the reporting date is primarily from:

Trade and Other receivables -

a. Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate.

b. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As a internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Ratings of customers are periodically monitored.

The Company's major revenue is from sale of refurbished vehicles and to the ultimate buyers. Therefore the Company's credit risk is very insignificant from customers.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks as and when required. Currently the Company does not have any undrawn credit facilities.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management who seek to maintain sufficient cash balances /lines of credit to meet any obligations as they fall due.

The cash position of the Company is given below:	As at 31 March 25	As at 31 March 24
Particulars		
Cash and Cash Equivalents	202.25	1,358.52
Total	**202.25**	**1,358.52**

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 Mar 25 and 31 Mar 24.

Particulars	As at	Less than 1 year	1-5 years	5 years and above
Trade Payables	31-Mar-25	333.34	-	-
	31-Mar-24	282.20	-	-
Other Financial Liabilities	31-Mar-25	88.76	-	-
	31-Mar-24	13.14	-	-
Lease liabilities	31-Mar-25	200.16	595.71	-
	31-Mar-24	135.35	604.14	-
Short Term Borrowings	31-Mar-25	3,301.03	-	-
	31-Mar-24	1,627.38	-	-

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Foreign Currency risk

The Company's operations predominantly in India and it does not have any foreign operations and therefore the risk on account of foreign currency exchange fluctuation is very insignificant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

	Year ended	Year ended
Particulars	**31-Mar-25**	**31-Mar-24**
Impact on profit or (loss) for the year	31.02	7.44

If interest rates were 1% lower, the company's profit would have increased or loss would have decreased by the equivalent amount as shown in the above table.

34 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The capital structure is as follows:		As at
Particulars	**31-Mar-25**	**31-Mar-24**
Total equity attributable to the equity share holders of the company	3,698.43	4,329.14
As percentage of total capital	52.84%	72.68%
Total borrowings	3,301.03	1,627.38
As a percentage of total capital	47.16%	27.32%
Total capital (borrowings and equity)	**6,999.46**	**5,956.52**

The Company is predominantly debt financed and current year equity has been infused which is evident from the capital structure table

35 Financial Ratios

Ratio	Current ratio
Numerator	Current Assets
Denominator	Current Liabilities

Ratios / measures	**31-Mar-25**	**31-Mar-24**
Total Current Assets (A)	3,742.20	4,332.16
Total Current Liabilities (B)	4,547.47	2,727.09
Current ratio (C) = (A) / (B)	0.82	1.59
%Change from previous period/ year*	**-48%**	

*The reason for change over last year is the due to the increase in short term borrowings

Further Company had bank overdraft outstanding at Mar 22 but during the year 2022-23, Company has paid all such bank overdraft out of the money received from fund raising

Ratio	Debt Equity Ratio	
Ratios / measures	**31-Mar-25**	**31-Mar-24**
Total debts (A)	3,301.03	1,627.38
Total shareholder's equity (B)	3,698.43	4,329.14
Debt equity ratio (C) = (A) / (B)	0.89	0.38
%Change from previous period/ year*	**134%**	

*Company has availed Short Term Loan, Working Capital Demand Loans and Overdraft/ Cash Credit facilities during the year, hence there is an increase in Debt equity ratio

Ratio	Debt service coverage ratio
Numerator	Earnings available for debt service
Denominator	Debt service

Ratios / measures	**31-Mar-25**	**31-Mar-24**
Profit after tax (A)	(4,632.99)	(3,098.48)
Add: Following non cash operating expenses and finance cost		
Depreciation and amortization (B)	672.44	298.77
Finance cost (C)	77.18	68.11
Other non-cash expenses (D)	-	-
Earnings available for debt services (E) = (A)+(B)+(C)+(D)	**(3,883.37)**	**(2,731.60)**
Interest cost (F)	77.18	68.11
Principal repayments (G)	-	-
Principal payments for lease liability(H)	155.56	105.73
Debt service (I) = (F) + (G) + (H)	**232.74**	**173.84**
Debt service coverage ratio (E/I)	**(16.69)**	**(15.71)**
%Change from previous period/ year	**6%**	

Ratio	Return on equity [%]
Numerator	Profit after tax
Denominator	Average Shareholder's Equity

Ratios / measures	**31-Mar-25**	**31-Mar-24**
Net Profit after tax (A)	(4,632.99)	(3,098.48)
Closing shareholder's equity (B)	3,698.43	4,329.14
Average shareholder's equity [opening + closing /2] (C)	4,013.79	5,877.53
Return on equity [%] (D) = (A)/ (C) *100	-115%	-53%
% Change from previous period/ year*	**-119%**	

*The change in ratio is due to contribution losses incurred and increase in fixed expenses as company is in growth phase

Ratio	Inventory turnover ratio	31-Mar-25	31-Mar-24
Numerator	Cost of goods sold		
Denominator	Inventory		
Ratios / measures			
Average Inventory - (A)		2,016.55	1,210.28
Cost of goods sold - (B)		6,846.81	3,863.33
Inventory turnover ratio - (B/A)		3.40	3.19
% Change from previous period/ year		**6%**	

Ratio	Trade receivables turnover ratio
Numerator	Revenue from operations
Denominator	Average trade receivables

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

Ratios / measures	31-Mar-25	31-Mar-24
Sales (A)	5,997.30	3,398.95
Closing Trade Receivables	734.05	80.72
Average Trade Receivables [(opening + closing) /2] (B)	407.39	59.99
Trade receivables turnover ratio (C) = (A) / (B)	14.72	56.66
% Change from previous period/ year	**-74%**	

*During the year 2024-25 Company has increased the sales in the 4th quarter and commensurate increase in the receivable

Ratio	Trade payables turnover ratio
Numerator	Adjusted total expenses
Denominator	Average trade payables

Ratios / measures	31-Mar-25	31-Mar-24
Total expenses excluding depreciation,finance cost and non cash expenses (A)	11,199.29	7,736.64
Closing Trade Payables	333.34	282.20
Average Trade Payables [(opening + closing) /2] (B)	307.77	362.33
Trade payables turnover ratio	36.39	21.35
% Change from previous period/ year*	**70%**	

Ratio	Net capital turnover ratio
Numerator	Revenue from operations
Denominator	Average working capital

Ratios / measures	31-Mar-25	31-Mar-24
Revenue from operations (A)	5,997.30	3,398.95
Working Capital (Current Assets - Current Liabilities)	(805.27)	1,631.87
Net working Capital (B)	(805.27)	1,631.87
Net capital turnover ratio (C) = (A)/ (B)	-7.45	2.08
% Change from previous period/ year	**-458%**	

* This has changed substantially due to short term borrowings availed during the year and increase in turnover

Ratio	Net profit [%]
Numerator	Net profit
Denominator	Revenue from operations

Ratios / measures	31-Mar-25	31-Mar-24
Profit after tax (A)	(4,632.99)	(3,098.48)
Revenue from operations (B)	5,997.30	3,398.95
Net profit [%] (C) = (A) / (B) *100	-77.25%	-91.16%
% Change from previous period/ year*	**-15%**	

Ratio	Return on capital employed [%]
Numerator	Earning before interest and taxes
Denominator	Capital Employed (Net shareholder's Equity, Lease Liabilities)

Ratios / measures	31-Mar-25	31-Mar-24
Profit before tax (A)	(6,177.72)	(4,515.41)
Add : Finance cost (B)	387.33	140.68
Earnings before interest and tax (C) = (A) + (B)	(5,790.39)	(4,374.73)
Total Shareholder's Equity (D)	3,698.43	4,329.14
Total Debt (E)	4,096.90	2,366.86
Capital Employed (F) = (D) + (E)	7,795.33	6,696.00
Return on capital employed [%] (G) = (C) / (F) *100	-74.00%	-65.00%
% Change from previous period/ year	**14%**	

Notes forming part of Financial Statements - *(continued)*

(Amount in Rs Lakhs, unless otherwise stated)

36 Additional regulatory information not disclosed elsewhere in the standalone financial statements

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property). No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency or Virtual Currency during the year.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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

(f) The Company has not received any fund from any person(s) or entity(is), 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,

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

37 There are no significant events that have occurred after the balance sheet date.

38 The previous year comparative numbers have been regrouped as and when required to match with the current year numbers

For **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
FRN: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716

Date: 22nd April 2025
Place:Bengaluru
UDIN:25027716BMIIMT1330

For **and on behalf of the Board of Directors**

G Parthasarathy
Director
DIN: 01769831

Sharad Mohan Mishra
Director
DIN: 09772241

Harisha K
Chief Financial Officer

Rajan Ranjith
Company Secretary

Date: 22nd April 2025
Place:Bengaluru

Date: 22nd April 2025
Place:Bengaluru

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of TVS MOTOR (SINGAPORE) PTE. LIMITED (the "company") for the financial year ended 31 March 2025.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the company in office at the date of this statement are:

Venu Srinivasan
Sudarshan Venu
Anuraag Agarwal
Deepali Pant Joshi

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors who held office at the end of the financial year, had no interest in the share capital of the company and related corporations as recorded in the register of directors' shareholdings required to be kept by the company under Section 164 of the Singapore Companies Act 1967.

5. SHARE OPTIONS

During the financial year, no option to take up unissued shares of the company was granted.

During the financial year, there were no shares of the company issued by virtue of the exercise of options to take up unissued shares.

As at the end of the financial year, there were no unissued shares of the company under option.

6. AUDITOR

Rama & Co LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board

Venu Srinivasan — Director

Anuraag Agarwal — Director

Date:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF TVS MOTOR (SINGAPORE) PTE. LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TVS MOTOR (SINGAPORE) PTE. LIMITED (the "company"), which comprise the statement of financial position as at 31 March 2025, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management 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.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirement

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

RAMA & CO LLP
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE
Date:

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025	2024
		S$	S$
ASSETS			
Non-current assets:			
Plant and equipment	(8)	**100,646,579**	33,494,480
Intangible assets	(9)	**20,706,125**	-
Investment in subsidiaries	(10)	**574,028,613**	379,929,001
Investments in associates	(11)	**89,824,671**	107,428,604
Other investments	(12)	**28,209,489**	13,465,085
Deferred tax assets	(13)	**243,160**	38,463
Trade and other receivables	(14)	**12,326,712**	9,135,815
Loans receivables	(15)	5,789,200	-
Total non-current assets		**831,774,549**	543,491,448
Current assets:			
Trade and other receivables	(14)	**35,973,411**	60,453,153
Loans receivables	(15)	**39,093,778**	77,156,276
Inventories	(16)	**6,680,181**	-
Other current assets	(17)	**10,542,762**	697,815
Bank balances	(18)	**7,998,315**	5,859,284
Total current assets		**100,288,447**	144,166,528
Total assets		**932,062,996**	687,657,976
EQUITY AND LIABILITIES			
Equity:			
Share capital	(19)	**927,488,807**	671,685,616
Share application money	(20)	**-**	19,333,690
Accumulated losses		**(100,480,158)**	(40,873,085)
Total equity		**827,008,649**	650,146,221
Non-current liability:			
Lease liabilities	(21)	**82,078,171**	23,735,108
Current liabilities:			
Lease liabilities – current portion	(21)	**10,301,317**	6,590,909
Borrowings	(22)	**-**	5,371,693
Trade and other payables	(23)	**12,674,859**	1,813,206
Income tax payable	(28)	**-**	839
Total current liabilities		**22,976,176**	13,776,647
Total liabilities		**105,054,347**	37,511,755
Total equity and liabilities		**932,062,996**	687,657,976

The accompanying notes form an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		S$	S$
Revenue	(24)	**32,456,415**	20,834,785
Cost of sales		**(33,107,354)**	(20,508,149)
Gross (loss)/ profit		**(650,939)**	326,636
Other income	(25)	**8,057,077**	3,816,389
Marketing and distribution expenses		**(791,134)**	-
Administrative expenses		**(24,822,655)**	(5,323,466)
Impairment loss on financial assets	(26)	**(34,873,619)**	-
Finance cost	(27)	**(206,401)**	(24,746)
Other expense		**(6,524,939)**	(346,531)
Loss before income tax		**(59,812,610)**	(1,551,718)
Income tax	(28)	**205,537**	38,608
Loss for the year	(29)	**(59,607,073)**	(1,513,110)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(59,607,073)**	(1,513,110)

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Share Capital	Share Application Money	Accumulated Losses	Total
	S$	S$	S$	S$
Balance as at 1 April 2024	420,155,810	71,287,921	(39,359,975)	452,083,756
Transaction with owner, recognised directly in equity				
- Issuance of shares (Note 19)	251,529,806	(71,287,921)	-	180,241,885
Share application money received		19,333,690	-	19,333,690
Total comprehensive loss for the year	-	-	(1,513,110)	(1,513,110)
Balance as at 31 March 2024	671,685,616	19,333,690	(40,873,085)	650,146,221
Transaction with owner, recognised directly in equity				
- Issuance of shares (Note 19)	255,803,191	(19,333,690)	-	236,469,501
Total comprehensive loss for the year	-	-	(59,607,073)	(59,607,073)
Balance as at 31 March 2025	927,488,807	-	(100,480,158)	827,008,649

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		S$	S$
Cash flow from operating activities:			
Loss before income tax		**(59,812,610)**	(1,551,718)
Adjustments for:			
Depreciation of plant and equipment	(8)	**9,517,106**	7,706,987
Foreign currency exchange difference		**(1,258,401)**	912,433
Gain on disposal of plant and equipment		**199,083**	(74,340)
Impairment loss on financial assets	(26)	**34,873,619**	-
Impairment loss on investment	(10)	**5,836,381**	-
Interest on loan	(30)	**179,475**	6,864
Interest on lease liabilities	(30)	**2,272,735**	1,410,357
Interest income	(24)	**(2,002,281)**	(2,279,193)
Operating cash flow before working capital changes		**(10,194,893)**	6,131,390
Trade and other receivables		**(26,516,860)**	(37,834,348)
Inventories		**(6,680,181)**	-
Other current assets		**(9,844,947)**	-
Prepayments		**-**	99,143
Trade and other payables		**8,284,927**	(569,147)
Cash used in operation		**(44,951,954)**	(32,172,962)
Tax paid		**(839)**	-
Net cash used in operating activities		**(44,952,793)**	(32,172,962)
Investing activities:			
Investment in associate		**(2,241,167)**	(18,970,261)
Investment in subsidiaries		**(90,690,058)**	(88,303,551)
Investment in other investments		**(8,934,404)**	(9,451,960)
Loans receivables		**(75,613,879)**	(43,874,541)
Proceeds from disposal of plant and equipment	(8)	**589,710**	580,000
Purchase of plant and equipment	(8)	**(458,651)**	(1,595,000)
Purchase of intangible assets		**(861,025)**	-
Interest received		**345,030**	202
Net cash used in investing activities		**(177,864,444)**	(161,615,111)
Financing activities:			
Advances from related party	(30)	**12,575,344**	-
Payment of principal portion of lease liabilities	(30)	**(6,266,056)**	(7,284,262)
Payment of interest portion of lease liabilities	(30)	**(2,272,735)**	(1,410,357)
Repayment of advances to related party	(30)	**(10,178,093)**	-
Proceed from borrowings	(30)	**(5,371,693)**	5,371,693
Proceed from issued of new shares		**236,469,501**	180,241,885
Share application money received		**-**	19,333,690
Net cash from financing activities		**224,956,268**	196,252,649
Net increase in bank balances		**2,139,031**	2,464,576
Bank balance at beginning of year		**5,859,284**	3,394,708
Bank balance at end of year	(18)	**7,998,315**	5,859,284

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

a) Corporate Information

TVS Motor (Singapore) Pte. Limited (the "company") (Registration number: 200301438H) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office at:

1 Kim Seng Promenade
#11-11 Great World City
Singapore 237994

The principal activities of the company are to carry on the business as an investment holding company and provision of transport-related industrial design services.

b) Authorisation of financial statements for issue

The financial statements of the company for the financial year ended 31 March 2025 were authorised for issue by the Board of Directors on _____.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1. Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up and in accordance with the provisions of the Singapore Companies Act and Financial Reporting Standards ("FRS") in Singapore.

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 Inventories or value in use in FRS 36 Impairment of Assets.

In addition, for financial reporting purpose, fair value measurements are described in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumption. The areas involving a higher degree of judgement or complexity or areas when assumption and estimates are significant to the financial statements as disclosed in Note 4.

2.2. Changes in Accounting Policies

a) Adoption of new revised FRSs and INT FRSs

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2024. The adoption of these new/ revised FRSs and INT FRSs did not result in substantial changes to the company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

b) Standards issued but not yet effective

At the date of authorisation of financial statements, the following FRSs that are relevant to the company were issued but not effective are as follows:

Reference	Description	Effective for annual periods beginning on or after
FRS 110 and FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Various	Annual Improvements to FRSs—Volume 11	1 January 2026
FRS 109, FRS 107	Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
FRS 118	Presentation and Disclosure in Financial Statements	1 January 2026
FRS 119	Subsidiaries without Public Accountability: Disclosures	1 January 2026

The directors anticipate that the adoption of the above FRSs, INT FRS and amendments to FRS in future periods standards will not have a materials impact on the financial statements of the company in the period of their initial adoption.

2.3. Functional and Foreign Currency

a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the "functional currency"). The financial statements of the company are presented in Singapore dollar, which is also the functional currency of the company.

b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss.

2.4. Subsidiaries

Subsidiaries are entities controlled by the company. The company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investment in subsidiaries is carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investment, the difference between the net disposal proceed and their carrying amounts is included in profit or loss.

These financial statements are the separate financial statements of the company.

The company is exempted from the requirement to prepare consolidated financial statements as the company itself is the wholly owned subsidiary of another entity, which produces the consolidated financial statements which are available for public use.

2.5. Associates

An associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in the associate companies is stated at cost, less impairment if any.

2.6. Plant and Equipment

a) Measurement

Plant and equipment are initially stated at cost and subsequently carried at cost less accumulated depreciation and any impairment losses.

b) Components of costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

c) Depreciation

Depreciation is calculated on the straight line method to write off the cost of the plant and equipment over their estimated useful lives, or in the case of right-of-use asset, over the lease term, as follows:

	Years
Office equipment	3
Vehicle	5
Vehicle (Right-of-Use asset)	5 to 7
Building (Right-of-use asset)	5

No depreciation is provided for office artwork.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

The residual values, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent

with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

d) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in profit or loss during the financial year in which it is incurred.

e) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.7. Intangible Assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful from the point at which at asset is ready for use.

Amortisation is calculated in the straight-line method to write off the cost of intangible assets, over their estimated useful lives of 3 years.

Intangible assets refers to capitalisation of costs relating to trademarks and technology-related intellectual property (IP).

2.8. Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price, less estimated costs of completion and selling expenses.

The cost of inventories is calculated based on the first-in-first-out method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and conditions.

Provisions are made for inventories with net realisable value lower than cost or for slow moving inventory.

2.9. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.10. Bank balances

Bank balances in statements of cash flows comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are classified as measured at amortised cost under FRS 109.

2.11. Leases

As a lessee

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

Right-of-Use Asset

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life (which is determined on the same basis as those of plant and equipment).

The company also assesses the right-of-use asset for impairment when such indicators exist. In addition, the right-of-use asset is periodically adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate, being the rate, it would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee, lease payments arising from extension options reasonably certain to be exercised, exercise price under purchase option reasonably certain to be exercised and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise items of office equipment with individual values not exceeding S$10,000.

2.12. Revenue Recognition

Revenue from sale of goods and services in the ordinary course of business is recognised when the company satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is the amount of consideration in the contract to which the company expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the completion reflecting the progress towards complete satisfaction of that PO.

Revenue from sales of vehicles are recognised at a point in time when the company transfers control of the goods. Control of the goods transfers upon delivery of the goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligations with respect to the goods delivered.

Passenger service income

The company provides aircraft usage and passenger transport services and, operational and maintenance services for customers. Revenue from these services are recognised when services are performed over the usage and service period (i.e. over time).

2.13. Other income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.14. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

b) Deferred tax

Deferred tax is provided, using the liability method on all temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences carry-forward of unutilised tax assets and unutilised tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unutilised tax assets and unutilised tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit or loss nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at the each of reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.15. Employee Benefits

a) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

b) Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state-managed schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the company's obligations under the plans are equivalent to those arising in a defined contribution plan.

2.16. Related Parties

A related party is a person or an entity related to the company and is further defined as follows:

a) A person or a close member of that person's family is related to the company if that person:
   - i has control or joint control over the company;
   - ii has significant influence over the company; or
   - iii is a member of the key management personnel of the company or of a parent of the company.

b) An entity is related to the company if any of the following conditions applies:
   - i the entity and the company are members of the same group i.e each parent, subsidiary and fellow subsidiary is related to the others;
   - ii one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
   - iii both entities are joint ventures of the same third party;
   - iv one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
   - v the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;
   - vi the entity is controlled or jointly controlled by a person identified in (a);
   - vii a person identified in (a) i) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity; or
   - viii the entity, or any member of the group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the company.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS 24 – Related Party Disclosures.

2.17. Provisions

Provisions are recognised when the company has present obligations (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.19. Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

3.1. Financial Assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

a) Classification and subsequent measurement

Initial recognition and measurement

Financial assets are classified, at initial recognition, at amortised cost and fair value through other comprehensive income (OCI).

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. The company initially measures a financial asset at its fair value.

Trade receivables are measured at the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

Financial assets at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate (EIR) method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in other income.

As at the reporting date, the company's financial assets at amortised cost consist of trade and other receivables, loans receivables and bank balances.

Financial assets at fair value through other comprehensive income (FVTOCI)

Equity instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that solely payments of principal and interest on the principal amount outstanding.

As at the reporting date, the company's financial assets at FVTOCI cost consist of unquoted equity investments.

b) Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

The company will recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets will be estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment pf both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company will recognises lifetime ECL when there has been significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measured the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast,12-month expected credit loss is the expected credit loss that result from default events that are possible within 12 months after the reporting date.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets gross carrying amount at the reporting date; or for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at reporting date, together with any additional amounts expected to be draw down in the future by default date determined based on historical trend, the company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows for the company in accordance with the contract and all the cash flows that the company expects to receive, discount at the original effect interest rate.

c) Derecognition of financial assets

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in profit or loss.

3.2. Equity and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified accordingly to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability.

a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital is classified as equity.

b) Financial liabilities

Financial liabilities are recognised when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

As at the reporting date, the company's financial liabilities consist of trade and other payables, and lease liabilities.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method.

c) Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payables, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

4.1. Critical Accounting Judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Income tax

The company has exposure to income taxes in several jurisdictions. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations including capital allowances and deductibility of certain expenses for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for expected tax issues based on estimates of whether additional taxes

will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b) Determination of functional currency

In determining the functional currency of the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the company is determined based on management's assessment of the primary economic environment in which the company operates and the company's process of determining sales prices.

4.2. Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Impairment of investment in subsidiary, investments in associates and other investments

The company follows the guidance of FRS 36 in determining the recoverability of its investment in subsidiaries, investment in associates and other investments. The company determines the recoverable amount of the subsidiaries based on the subsidiaries' and the associates' net assets values at the end of the reporting period as in the opinion of the management, the net assets values of these subsidiaries and associates reasonably approximate the fair values less costs to sell.

The carrying amounts of investment in subsidiaries, investment in associates and other investments are disclosed in Note 10, Note 11 and Note 12 to the financial statements.

b) Impairment of plant and equipment

As the end of the reporting period, the company assesses whether plant and equipment have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of plant and equipment have been determined based on value-in use calculations. These calculations and valuations require the use of judgement and estimates on future operating cash flows and discount rates adopted.

The carrying amounts of the company's plant and equipment are disclosed in Note 8 to the financial statements.

c) Depreciation of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over their estimated useful lives or over their lease terms, in the case of right-of-use asset. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised.

d) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost of completion and selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to severe industry cycles. Management will reassess the estimations at the end of each reporting period.

The carrying amount of the company's inventories as at the reporting date are disclosed in Note 16 to the financial statements.

e) Impairment of trade and other receivables

The company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on number of days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For other receivables, management determines whether there is significant increase in credit risk of these receivables since initial recognition. Management uses judgement in making the determination and considers the credit worthiness and financial condition of the counterparties and management's view of economic conditions over the expected lives of the receivables.

5. FINANCIAL INSTRUMENTS, FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

5.1. Categories of financial assets and liabilities

The carrying amounts of financial assets and financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2025	2024
	S$	S$
Financial assets		
At amortised cost:		
- Trade and other receivables	**47,961,412**	69,588,968
- Loans receivables	**44,882,978**	77,156,276
- Bank balances	**7,998,315**	5,859,284
At fair value through other comprehensive income:		
- Other investments	**28,209,489**	13,465,085
	129,052,194	166,069,613
Financial liabilities		
At amortised cost:		
- Trade and other payables	**12,674,859**	1,813,206
- Lease liabilities	**92,379,488**	30,326,017
- Borrowings	**-**	5,371,693
	105,054,347	37,510,916

5.2. Financial Risk Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal. The company adopt systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

The company is exposed to credit risk, foreign currency exchange rate risk and liquidity risk. The company is not significantly exposed to interest rate risk.

There has been no change to the company's exposure to these financial risks or the manner in which it manages measures the risk.

a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations to repay amounts owing to company resulting in a loss to the company. The company's primary exposure to credit risk arises through its other receivables and bank balances.

It is the company's policy to enter into transactions with creditworthy customers and high credit rating counter-parties to mitigate any significant credit risk. The company has procedures in place to control credit risk and that exposure to such risk is monitored on an ongoing basis.

Credit risk management

The company considers the probability of default upon initial recognition of asset and at each reporting date, assesses whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

Significant increase in credit risk

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and includes forward-looking information such as the following:

- Credit rating information supplied by publicly available financial information;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and

- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase on credit risk is presumed if a debtor is more than 30 days past due in making contractual payment unless the company has reasonable and supportable information that demonstrates otherwise.

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Low credit risk

The company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

A financial asset is considered to have low credit risk if:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Credit-impaired

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

Significant financial difficulty of the counter-party or the borrower;

A breach of contract, such as default or past due event; or

It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;

Default event

The company considers the following as constituting an event of default when:

- The borrower fails to make contractual payments, within 90 days when they fall due, unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate; or
- Internal or external information indicates that the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held).

Write-off policy

The company categorises a receivable for potential write-off when:

- There is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery or
- When a debtor fails to make contractual payments more than 365 days past due.

Where receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Credit risk grading framework

The company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognizing expected credit loss (ECL)
I - Performing	Counterparty has a low risk of default and does not have any past due amounts and a strong capacity to meet contractual cash flows.	12-month ECL
II – Under performing	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
III – Default	Amount is > 90 days past due to or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit impaired
IV – Write off	Amount is > 365 days past due or there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

There are no significant changes to estimation techniques or assumptions made during the reporting period.

Simplified approach

The company apply the simplified approach using the provision matrix to provide for ECLs for trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The provision matrix is based on historical credit loss experience over the past three years and adjusted for forward-looking estimates. Trade receivables are grouped based on similar credit risk characteristics and days past due.

Expected credit loss assessment

The following are qualitative information on expected credit loss for financial assets under amortised cost:

- Trade receivables

These are due from customers who have a good credit record with the company with no history of default. The loss allowance is measured based on lifetime ECL using the provision matrix. Management considers the risk of default as minimal based on the past collection history and did not recognise ECL as the amount was not significant.

- Other receivables and loans receivables

Management considers subsidiaries, associate and related parties' receivables, amount due from third parties and loans receivables to be low credit risk because in their view, the credit risk for these receivables has not increased significantly since their initial recognition. Therefore, these receivables have been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

- Bank balances

The company places its bank deposit with credit worthy financial institution. Impairment on bank balances is measured on the 12-month expected loss basis. Management considers that its bank balances have low credit risk based on the external credit ratings of the counterparty. Therefore, management considers the amount of ECL to be insignificant.

Significant concentration of credit risk

As at the reporting date, the company has significant concentration of credit risk with two customers amounted to S$8,474,788 which accounted for 66% of its trade receivables (2024: no significant concentration of credit risk).

The company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

c) Foreign currency exchange rate risk

Foreign currency exchange rate risk arose from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period and in the future periods.

The company transacts mainly in Singapore dollar and United states dollar. Management believes that the foreign exchange rate risk is manageable. Hence, the company does not use derivative financial instruments to mitigate this risk.

The company's exposure to foreign currency exchange rate risk in equivalent Singapore dollar is as follows:

	2025	2024	2025	2024
	CHF	CHF	US$	US$
In Singapore dollar				
Financial assets				
Trade and other receivables	**1,758,685**	2,522,737	**34,589,866**	21,270,325
Loans receivables	**683,775**	67,083,955	**36,475,200**	2,829,960
Bank balances	**-**	-	**6,721,116**	29,891,495
	2,442,460	69,606,692	**77,786,182**	29,891,495
Financial liabilities				
Lease liabilities	**-**	-	**92,072,540**	29,953,451
Trade and other payables	**-**	-	**7,913,270**	1,052,792
	-	-	**99,985,810**	31,006,243
Net exposure	**2,442,460**	69,606,692	**(22,199,628)**	(1,114,748)

	2025	2024	2025	2024
	Euro	Euro	GBP	GBP
In Singapore dollar				
Financial assets				
Trade and other receivables	**2,931,066**	20,257,633	**215,834**	286,633
Loans receivables	**5,897,747**	109,373	**1,826,256**	7,132,988
Bank balances	**580,657**	-	**-**	-
	9,409,470	20,367,006	**2,042,090**	7,419,621
Financial liabilities				
Trade and other payables	**490,470**	56,143	**485,905**	385,507
	490,470	56,143	**485,905**	385,507
Net exposure	**8,919,000**	20,310,863	**1,556,185**	7,034,114

Sensitivity analysis

A 10% increase or decrease is used when reporting foreign currency exchange rate risk internally to key management personnel and represents management's assessment of the possible change in foreign currency exchange rates.

A 10% strengthening of Singapore dollar against the following currencies would increase/ (decrease) profit or loss and equity by the amount shown below:

	2025	2024
	S$	S$
CHF impact	**(244,246)**	(6,960,669)
US$ impact	**2,219,963**	111,475
Euro impact	**(891,900)**	(2,031,086)
GBP impact	**(155,619)**	(703,411)

A 10% weakening of Singapore dollar against the above currencies would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

d) Liquidity risk management

Liquidity risk refer to risk that the company will not have sufficient funds to pay its debts as and when they fall due.

In the management of the liquidity risk, the company monitors and maintains a level of bank balances deemed adequate by the management to finance the company's operations and mitigate the effects of fluctuations in cash flows.

The following table summarises the company's remaining contractual maturity for its non-derivative financial liabilities at the end of the reporting period based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the company is expected to pay.

2025	Effective interest rate (%)	Carrying amount	Contractual undiscounted cash flows: Less than a year	Within 2 to 5 years	Later than 5 years	Total
		S$	S$	S$	S$	S$
Financial liabilities:						
Lease liabilities	3% to 7.8%	**92,379,488**	**15,827,593**	**97,099,326**	**-**	**112,926,919**
Trade and other payables	-	**12,674,859**	**12,674,859**	**-**	**-**	**12,674,859**
	-	**105,054,347**	**28,502,452**	**97,099,326**	**-**	**125,601,778**

2024	Effective interest rate (%)	Carrying amount	Contractual undiscounted cash flows: Less than a year	Within 2 to 5 years	Later than 5 years	Total
		S$	S$	S$	S$	S$
Financial liabilities:						
Lease liabilities	3% to 7.8%	30,326,017	7,754,701	22,063,831	4,086,581	33,905,113
Borrowings	9.15% to 9.25%	5,371,693	5,558,702	-	-	5,558,702
Trade and other payables	-	1,813,206	1,813,206	-	-	1,813,206
		37,510,916	15,126,609	22,063,831	4,086,581	41,277,021

e) Fair value of financial assets and financial liabilities

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models as appropriate.

i) Financial assets and liabilities

Management has determined that the carrying amounts of bank balances, trade and other receivables, lease liabilities, trade and other payables, based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature. The fair value of non-current receivables is disclosed in Note 14 to the financial statements.

ii) Fair value hierarchy

a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 – Unobservable inputs for the asset or liability.

The company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

During the financial year ended 31 March 2025, there was no transfer between instruments in Level 1, Level 2 and Level 3, or vice versa.

The company does not anticipate that the carrying amounts recorded at end of the reporting period would significantly be different from the values that would eventually be received or settled.

Financial Assets	Assets 2025 S$	Assets 2024 S$	Fair Value Hierarchy	Valuation Technique and Key Impact	Significant unobservable input	Relationship of unobservable inputs to fair value
At fair value through other comprehensive income						
Other investments - Equity securities (unquoted)	**28,209,489**	13,465,085	Level 3	Income approach – discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries accordingly recognised at cost.	A significant increase in the discount for lack of marketability would result in a significant decrease in fair value.

5.3. Capital Risk Management Policies and Objectives

The company's objective when managing capital is to safeguard the company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as trade and other payables, borrowings plus lease liabilities less bank balances. Total capital is calculated as equity and net debt. The company's overall strategy remains unchanged during the period.

	2025	2024
	S$	S$
Trade and other payables	**12,674,859**	1,813,206
Lease liabilities	**92,379,488**	30,326,017
Borrowings	**-**	5,371,693
Less: Bank balances	**(7,998,315)**	(5,859,284)
Net debt	**97,056,032**	31,651,632
Total equity	**827,008,649**	650,146,221
Total capital	**924,064,681**	681,797,853
Gearing ratio	**10.5%**	4.6%

The company is not subject to externally imposed capital requirements.

6. HOLDING COMPANY

The company is wholly-owned subsidiary of TVS Motor Company Ltd, incorporated in India. The company's ultimate holding company is TVS Holdings Limited, incorporated in India. The registered office of the holding company is at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

Some of the company's transactions and arrangements are between members of the company and the effects of these on the basis determined between the parties are reflected in these financial statements.

7. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these financial statements.

Significant related party transactions affecting the profit or loss account are as follows:

	2025	2024
	S$	S$
Service income from related party	**26,448,720**	20,834,785
Sales of vehicles to subsidiary	**173,023**	-
Interest income from:		
- subsidiaries	**850,737**	1,927,127
- associate	**13,612**	25,155
- related parties	**575,536**	6,527
Technical and management fee from associate	**4,032,540**	-
Purchase of vehicles from:		
- holding company	**(1,537,615)**	-
- subsidiaries	**(1,142,568)**	-
- associate	**(8,366,335)**	-
Recovery of professional and consultancy fee by subsidiaries	**(411,466)**	(251,333)

8. PLANT AND EQUIPMENT

	Office equipment	Office artwork	Vehicle	Leasehold Property	Renovation	Total
	S$	S$	S$	S$		S$
Cost						
At 01.04.2023	25,239	120,060	50,666,662	-	-	50,811,961
Additions	-	-	1,595,000	407,138	-	2,002,138
Lease reassessment	-	-	1,423,950	-	-	1,423,950
Disposal	-	-	(777,939)	-	-	(777,939)
At 31.03.2024	25,239	120,060	52,907,673	407,138	-	53,460,110
Additions	8,987	-	82,453,627	-	19,790	82,482,404
Lease reassessment	-	-	(778,597)	-	-	(778,597)
Disposal	-	-	(20,607,973)	-	-	(20,607,973)
At 31.03.2025	**34,226**	**120,060**	113,974,730	**407,138**	**19,790**	**114,555,944**
Accumulated depreciation						
At 01.04.2023	25,239	-	12,505,682	-	-	12,530,921
Charged for the year	-	-	7,659,488	47,499	-	7,706,987
Disposal	-	-	(272,278)	-	-	(272,278)
At 31.03.2024	25,239	-	19,892,892	47,499	-	19,965,630
Charged for the year	705	-	9,434,973	81,428	-	9,517,106
Disposal	-	-	(15,573,371)	-	-	(15,573,371)
At 31.03.2025	**25,944**	**-**	**13,754,494**	**128,927**	**-**	**13,909,365**
Carrying amount						
At 31.03.2024	-	120,060	33,014,781	359,639	-	33,494,480
At 31.03.2025	**8,282**	**120,060**	**100,220,236**	**278,211**	**19,790**	**100,646,579**

The company leases aircrafts for business use and an office premises for its operations. The leases have a total tenure of 60 to 84 months and the remaining lease term as at 31 March 2025 is 41 to 59 months (2024: 24 to 71 months).

Management has reviewed for the impairment of its plant and equipment at the end of each reporting period. No allowance for impairment is required as the carrying amount of the plant and equipment is expected to be less than its recoverable value, which is the higher of the fair value less cost to sell and its value-in use.

9. INTANGIBLE ASSETS

	Trademark	Technology-Related IP	Total
	S$	S$	S$
Cost			
At 01.04.2023 and 31.03.2024	-	-	-
Additions	5,655,068	15,051,057	20,706,125
At 31.03.2025	**5,655,068**	**15,051,057**	**20,706,125**
Accumulated amortisation			
At 31.03.2024 and 31.03.2025	-	-	-
Carrying amount			
At 31.03.2024	-	-	-
At 31.03.2025	**5,655,068**	**15,051,057**	**20,706,125**

The company acquired trademark and technology-related intellectual property for a total consideration of S$20,706,125 shortly before the year end. Accordingly, no amortisation has been charged during the financial year.

At the end of the reporting period, the company carried out a review of the recoverable amount of all intangible assets. As a result of the review, no allowances for impairment or revisions to the useful lives was found to be necessary for intangible assets.

10. INVESTMENT IN SUBSIDIARIES

	2025	2024
	S$	S$
Unquoted equity shares at cost:		
At beginning of the year	**379,929,001**	274,028,072
Additions	**199,935,993**	105,900,929
At end of the year	**579,864,994**	379,929,001
Less: Impairment loss	**(5,836,381)**	-
Carrying amount at end of the year	**574,028,613**	379,929,001

The movement in allowance for impairment of investment in subsidiaries was as follows:

	2025	2024
	S$	S$
At beginning of the year	**-**	-
Provision during the year	**5,836,381**	-
At end of the year	**5,836,381**	-

Details of the subsidiaries are as follows:

Name of subsidiary/ Country of incorporation	Principal activity	Proportion of ownership Interest	
		2025	2024
The Norton Motorcycle Co. Limited United Kingdom	Manufacturing and selling of Norton Brand motorcycles and trading of vehicle spares & accessories	**100%**	100%
TVS Digital Pte. Ltd. Singapore	Engaged in providing high quality digital solutions that help in the automotive financial services and manufacturing industries with IOT, AI & ML based solutions	**100%**	100%
The GO AG Switzerland	Providing smart connected mobility solutions through a pipeline of e-bikes, e-cargo bikes, and e-scooters combining innovative designs through the network of its stores across Switzerland and Germany	**100%**	87.8%
Swiss E-Mobility Group (Holding) AG Switzerland	A fully integrated e-bike platform with its core business consisting of purchase and re-sale of own branded e-bikes, third party branded e-bikes and spare parts through retail and online stores in Switzerland and Germany	**100%**	100%
EBCO Limited England	Producing and distributing electric bikes designed for the rapidly expanding British e-bike market	**100%**	70%
Celerity Motor GmbH Germany	Undertake activities related to two-wheeler & three-wheeler vehicles, including research, development, engineering, sales and service thereof	**100%**	100%

During the financial year,

1) The company subscribed to and was allotted 47,500,000 ordinary shares in The Norton Motorcycle Co. Limited for a total consideration of GBP 47,500,000 (equivalent to S$81,192,554).
2) The company subscribed to and was allotted 11,646,433 ordinary shares in The GO AG for a total consideration of CHF 8,000,000 (equivalent to S$12,057,809), by way of converting from the loan to The GO AG and acquisition of shares from existing shareholders.
3) The company subscribed to and was allotted 116,956 ordinary shares in Swiss E-Mobility Group (Holding) AG for a total consideration of CHF 60,508,540 (equivalent to S$91,326,797), by way of converting from the loan to Swiss E-Mobility Group (Holding) AG.
4) The company made an additional capital contribution of EUR 5,900,000 (equivalent to S$8,588,630) to Celerity Motor GmbH.
5) The company subscribed to and was allotted 1,950 ordinary shares in EBCO Limited for a total consideration of GBP 3,900,000 (equivalent to S$6,770,203), by way of converting from the loan to EBCO Limited.

One set consolidated financial statements of the company and its subsidiaries are not prepared as the company itself is a wholly owned subsidiary of another corporation. The holding company, TVS Motor Company Ltd prepares consolidated financial statements which are available for public use at their registered office at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

At the end of the reporting period, the company carried out a review on the recoverable amount of its investment in subsidiaries. The recoverable amount of the relevant investment in subsidiaries has been determined on the basis of its net assets value at the end of the reporting period as in the opinion of the management of the company, the net assets values of the subsidiary reasonably approximate the fair values less costs to sell.

11. INVESTMENTS IN ASSOCIATES

	2025	2024
	S$	S$
Unquoted equity shares at cost:		
At beginning of the year	**107,428,604**	76,064,643
Addition	**2,241,167**	18,970,261
Disposal	**(19,845,100)**	-
Transfer from other investments (Note 12)	**-**	12,393,700
At end of the year	**89,824,671**	107,428,604

Details of the associate are as follows:

Name of associate/ Country of incorporation	Principal activity	Proportion of ownership Interest	
		2025	2024
PT. TVS Motor Company Indonesia	Manufacturers of motorcycles, motorcycles spare parts and accessories	**31.7%**	31.7%
Ion Mobility Pte. Ltd. Singapore	Manufacture and assembly of motorcycles, scooters and other parts and accessories	**-**	27.5%
Killwatt GmbH Germany	Development, design and marketing of produsts and components in the field of two-, three-, and four-wheeled vehicles	**49%**	49%

During the financial year,

1) the company disposed of all its 4,964,524 preference AA shares in Ion Mobility Pte. Ltd. for a total consideration of USD 15,000,000 (equivalent to S$19,845,100).

2) the company made the balance payment of EUR 1,600,000 (equivalent to S$2,241,167) to Killwatt GmbH in accordance with the investment and shareholders' agreement dated on 3 April 2023.

The company did not perform equity accounting of the results of the associate as the holding company, TVS Motor Company Ltd will be preparing the consolidated financial statements, which are available for public use at their registered office at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

12. OTHER INVESTMENTS

	2025	2024
	S$	S$
Equity instruments		
At fair value through other comprehensive income:		
Unquoted equity investments:		
At beginning of the year	**13,465,085**	16,406,825
Addition	**14,744,404**	9,451,960
Transfer to investments in associate (Note 11)	**-**	(12,393,700)
At end of the year	**28,209,489**	13,465,085

The above investments offer the company the opportunity for return through dividend income and fair value gains.

Equity investments are categorised as at fair value through other comprehensive income. The company has elected to measure these equity securities at FVTOCI due to the company's intention to hold these equity instruments for long-term appreciation.

Details of the other investments are as follows:

Name of company	Country of incorporation	Proportion of ownership Interest	
		2025	2024
Mottu Holdings Ltd	United States of America	2.55%	1.93%
ARC Ride Limited	England	2.64%	2.69%
Quadrant Esports Limited	United Kingdom	1.06%	1.06%
Zapata Group B.V	Netherland	3.58%	-

Other investments are denominated in the following currencies:

	2025	2024
	S$	S$
British pound	**167,860**	167,860
Euro	**7,993,266**	-
United States dollar	**20,048,363**	13,297,225
	28,209,489	13,465,085

13. DEFERRED TAX ASSET

	2025	2024
	S$	S$
At the beginning of year	**38,463**	-
Credited to income for the year (Note 28)	**205,537**	39,447
Foreign exchange loss	**(840)**	(984)
At end of year	**243,160**	38,463

14. TRADE AND OTHER RECEIVABLES

	2025	2024
	S$	S$
Non-current		
Long-term deposit	**12,326,712**	9,135,815
Current		
Trade receivables:		
- third parties	**4,349,016**	-
- subsidiaries (Note 10)	**94,213**	-
- associate (Note 11)	**4,427,045**	-
- related party (Note 7)	**4,047,744**	-
	12,918,018	-
Amount due from subsidiaries (Note 10)	**30,600,000**	26,641,841
Amount due from related parties (Note 7)	**6,839,683**	6,738,000
Bonds receivable	**12,593**	11,965
Convertible notes receivable	**4,693,500**	6,507,000
Interest receivables from subsidiaries (Note 9)	**1,974,519**	2,761,110
Interest receivables from related parties (Note 7)	**583,406**	33,019
Interest receivables from third party	**178,323**	-
Other receivables – third parties	**84,824**	5,455,141
Refundable deposits	**5,923,453**	10,605,077
Share application money paid	6,700,000	1,700,000
	70,508,319	60,453,153
Less: Allowance for expected credit loss	**(34,873,619)**	-
	35,634,700	60,453,153
GST/ VAT receivables	**338,711**	-
Total current portion	**35,973,411**	60,453,153
Total trade and other receivables	**48,300,123**	69,588,968

Trade receivables are non-interest bearing and they are normally settled on 30 to 120 days credit terms (2024: Nil). Trade receivables are not secured by any collateral or credit enhancement and are recognised at their original invoice amounts, which represents their fair values on initial recognition.

The credit risk profile of trade receivables is presented based on their past due status as follows:

		Trade receivables – days past due				
	Not past due	< 30 days	31 to 60 days	61 to 90 days	>90 days	Total
	S$	S$	S$	S$	S$	S$
2025						
Trade receivables						
- gross amount	**11,616,915**	**1,165,352**	**123,238**	**7,540**	**4,973**	**12,918,018**
Expected credit loss (ECL)	**-***	**-***	**-***	**-***	**-***	**-***
						12,918,018

* ECL is not significant

Long-term deposits of US$12,200,000 (2024: US$7,900,000) were paid to the lessor as good faith deposit and are refundable. It has been discounted to its present value using a discount rate of 4.4% to 6.8% (2024: 3% to 4.4%) per annum.

Amount due from subsidiaries and related parties are unsecured, interest free and repayable on demand.

Allowance for expected credit loss
The movement in allowance for expected credit loss of other receivables computed based on 12-month ECL (individually assessed) was as follows:

	2025	2024
	S$	S$
At beginning of the year	-	-
Allowance made during the year	**34,873,619**	-
At end of the year	**34,873,619**	-

Trade and other receivables are denominated in the following currencies:

	2025	2024
	S$	S$
Australian dollar	**204,443**	-
British pound	**215,834**	286,633
Euro	**2,931,066**	20,257,633
Philippine peso	**3,697,920**	5,465,348
Singapore dollar	**4,902,309**	19,786,292
Swiss franc	**1,758,685**	2,522,737
United States dollar	**34,589,866**	21,270,325
	48,300,123	69,588,968

15. LOANS RECEIVABLES

	2025	2024
	S$	S$
Non-current		
Loan to third party	**5,789,200**	-
Current		
Loans to subsidiaries (Note 10)	**2,510,031**	74,216,943
Loans to related parties (Note 6)	**36,583,747**	2,939,333
	39,093,778	77,156,276
Total loans receivables	**44,882,978**	77,156,276

Loans to subsidiaries and related parties are interest bearing at 3.25% to 7% (2024: 3.25% to 6%) per annum, unsecured and tenure ranging from 4 to 48 months (2024: 4 to 40 months).

Loan to third party is interest bearing at 6-month EURIBOR per annum, repayable after 36 months, and is secured by a first ranking pledge over 8% of shares of a subsidiary of third party.

Loans receivables are denominated in following currencies:

	2025	2024
	S$	S$
British pound	**1,826,256**	7,132,988
Euro	**5,897,747**	109,373
Swiss franc	**683,775**	67,083,955
United States dollar	**36,475,200**	2,829,960
	44,882,978	77,156,276

16. INVENTORIES

	2025	2024
	S$	S$
Trading inventories at cost	**6,680,181**	-

The cost of inventories recognised as an expense and included in "cost of sales" amounted to **S$5,589,920** (2024: Nil).

17. OTHER CURRENT ASSETS

	2025	2024
	S$	S$
Advance payments	**9,904,805**	-
Prepayments	**637,957**	697,815
	10,542,762	697,815

Advance payments include amounts paid for the renovation of the director's accommodation, which was still in progress as of the reporting date.

Other current assets are denominated in the following currencies:

	2025	2024
	S$	S$
Australian dollar	**13,337**	-
British pound	**1,157,052**	-
Euro	**7,287**	-
Philippine peso	**35,082**	-
Singapore dollar	**2,718,993**	-
United States dollar	**6,611,011**	697,815
	10,542,762	697,815

18. BANK BALANCES

	2025	2024
	S$	S$
Cash at bank	**7,998,315**	5,859,284

Cash at banks earn interest at floating rates based on daily bank deposit rates.
Bank balances are denominated in the following currencies:

	2025	2024
	S$	S$
Australian dollar	**262,371**	-
Euro	**580,657**	-
Philippine peso	**284,574**	13,793
Singapore dollar	**149,597**	54,281
United States dollar	**6,721,116**	5,791,210
	7,998,315	5,859,284

19. SHARE CAPITAL

	2025	2024	2025	2024
	Number of ordinary shares		S$	S$
Issued and paid up:				
At beginning of the year	**671,685,616**	420,155,810	**671,685,616**	420,155,810
Issued during the year	**255,803,191**	251,529,806	**255,803,191**	251,529,806
At the end of the year	**927,488,807**	671,685,616	**927,488,807**	671,685,616

The company issued 255,803,191 (2024: 251,529,806) ordinary shares in the capital of the company for a consideration of S$255,803,191 (2024: S$251,529,806).

The newly issued shares rank pari passu in all respect with the existing ordinary shares of the company.

The ordinary shares with no par value, carry one vote per share and carry a right to dividends as and when declared by the company.

20. SHARE APPLICATION MONEY

In 2024, the share application money was advance receipt for application for shares in the company.

21. LEASE LIABILITIES

	2025	2024
	S$	S$
Maturity analysis:		
Within one year	**15,827,593**	7,754,701
Within two to five years	**97,099,326**	22,063,831
After five years	**-**	4,086,581
	112,926,919	33,905,113
Less: future finance charges	**(20,547,431)**	(3,579,096)
	92,379,488	30,326,017
Analysed as:		
Current	**10,301,317**	6,590,909
Non-current	**82,078,171**	23,735,108
	92,379,488	30,326,017

The company leases vehicles for its business use and an office premises for its operations (Note 8). The effective borrowing rate is 3% to 7.8% (2024: 3% to 7.8%) per annum.

Total cash outflows for the leases during the financial year ended 31 March 2025 amounted to S$8,538,791 (2024: S$8,694,619).
Lease liabilities are denominated in the following currencies:

	2025	2024
	S$	S$
Philippine peso	**306,948**	372,566
United States dollar	**92,072,540**	29,953,451
	92,379,488	30,326,017

22. BORROWING

	2025	2024
	S$	S$
Short term bank loans	**-**	5,371,693

In 2024, short term bank loans were obtained from a financial institution. The loans bore interest at the rate of 9.15% to 9.25% per annum and were repayable with 12 months from the end of reporting period. The principal was repayable in full on maturity. Accordingly, the loans have been fully repaid during the financial year.

Borrowing was denominated in Philippine peso.

23. TRADE AND OTHER PAYABLES

	2025	2024
	S$	S$
Trade payables:		
- third parties	**1,387,759**	1,119,244
- holding company (Note 6)	**104**	-
- subsidiary (Note 10)	**307,458**	-
- associate (Note 11)	**7,025,219**	-
	8,720,540	1,119,244
Other payables – third parties	**257,353**	35,838
Amounts due to subsidiary (Note 10)	**-**	348,066
Amounts due to related party (Note 7)	**2,528,751**	131,500
Accrued expenses	**1,168,215**	178,558
	12,674,859	1,813,206

Trade payables are unsecured, non-interest bearing and they are normally settled on 30 days' (2024: 30 days') term.

Amounts due to subsidiary and related party are unsecured, interest free and repayable on demand.

Trade and other payables are denominated in the following currencies:

	2025	2024
	S$	S$
Australian dollar	23,696	-
British pound	**485,905**	385,507
Euro	**490,470**	56,143
New Zealand dollar	**14,309**	-
Philippine peso	**1,020,361**	20,481
Singapore dollar	**2,726,848**	298,283
United States dollar	**7,913,270**	1,052,792
	12,674,859	1,813,206

24. REVENUE

	2025	2024
	S$	S$
Passenger service income	**26,448,720**	20,834,785
Sales of vehicles and spare parts	**6,007,695**	-
	32,456,415	20,834,785
Timing of transfer of good or service		
Over time	**26,448,720**	20,834,785
At a point in time	**6,007,695**	-
	32,456,415	20,834,785

25. OTHER INCOME

	2025	2024
	S$	S$
Foreign currency exchange gain	**1,725,138**	1,420,893
Gain on disposal of plant and equipment	**-**	74,340
Interest income	**387,731**	324,601
Interest income on loan	**1,614,550**	1,954,592
Rental income	**92,469**	41,963
Technical and management fee	**4,032,540**	-
Others	**204,649**	-
	8,057,077	3,816,389

26. IMPAIRMENT LOSS ON FINANCIAL ASSETS

	2025	2024
	S$	S$
Impairment on financial assets – advances to subsidiary (Note 14)	**34,873,619**	-

27. FINANCE COST

	2025	2024
	S$	S$
Interest on lease liability	**26,926**	17,882
Interest on loan	**179,475**	6,864
	206,401	24,746

28. INCOME TAX

	2025	2024
	S$	S$
Current tax	-	839
Deferred tax (Note 13)	**(205,537)**	(39,447)
	(205,537)	(38,608)

The income tax benefit varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2024: 17%) to loss before income tax due to the following:

	2025	2024
	S$	S$
Loss before income tax	**(59,812,610)**	(1,551,718)
Income tax benefit at statutory rate of 17% (2024: 17%)	**(10,168,144)**	(263,792)
Income tax effects of:		
- non-taxable items	**(50,744)**	(400,066)
- non-deductible items	**7,544,587**	101,479
- tax losses carried forward	**2,674,301**	562,379
- Minimum Corporate Income Tax (MCIT) in Philippine	**-**	839
Tax for the year	**-**	839
Deferred tax (Note 13)	**(205,537)**	(39,447)
	(205,537)	(38,608)

The company has unutilised tax losses and donations carry forward available for offsetting against future taxable income as follow:

	2025	2024
	S$	S$
Amount at beginning of the year	**11,501,713**	8,193,601
Addition during the year	**15,731,180**	3,308,112
Amount at end of year	**27,232,893**	11,501,713
Deferred tax benefit on above unrecorded	**4,629,592**	1,955,291

The realisation of the future income tax benefit from these unutilised tax losses and donations carried forward is available for an unlimited period subject to the conditions imposed by law including the retention of majority shareholders as defined.

The deferred tax benefit of tax losses and donations carried forward has not been recognised in the financial statements because it is not probable that future taxable profits will be available against which the benefit can be utilised.

29. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/ (crediting):

	2025	2024
	S$	S$
Short-term employee benefits	**1,613,864**	517,600
Cost of defined contribution plans included in short-term employee benefits	**20,354**	-
Aircraft operation and maintenance charges	**15,089,647**	11,581,006
Depreciation of plant and equipment	**9,517,106**	7,706,987
Donations	**5,000**	-
Foreign currency exchange gain	**(1,725,138)**	(1,420,893)
Impairment loss on investment in subsidiary (Note 10)	**5,836,381**	-
Insurance expense	**61,157**	14,938
Loss on disposal of plant and equipment	**199,083**	-
Office rental	**3,700**	9,650
Professional and consultancy fees	**14,779,337**	4,538,698
Research & Development expense	**5,404,342**	-
Travelling expenses	**1,926,725**	57,977

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes.

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	2025	2024
	S$	S$
Lease liabilities (Note 21)		
At beginning of the year	**30,326,017**	34,931,371
Financing cash flows:		
- Principal portion of lease liabilities	**(6,266,056)**	(7,284,262)
- Interest portion of lease liabilities	**(2,272,735)**	(1,410,357)
	(8,538,791)	(8,694,619)
Non-cash transactions:		
- New lease	**74,719,729**	407,137
- Reassessment of lease	**(1,137,147)**	1,423,950
- Disposal of lease	**(4,003,814)**	-
- Foreign currency exchange (gain)/ loss	**(1,259,241)**	847,821
- Interest expense	**2,272,735**	1,410,357
At the end of year	**92,379,488**	30,326,017

	2025	2024
	S$	S$
Borrowing (Note 22)		
At beginning of the year	**5,371,693**	-
Financing cash flows:		
- Repayment of principal	**(5,371,693)**	-
- Repayment of interest	**(179,475)**	-
- Proceeds	**-**	5,371,693
	(5,551,168)	5,371,693
Non-cash transaction:		
- Interest expense	**179,475**	-
At the end of year	**-**	5,371,693

	2025	2024
	S$	S$
Amount due to related party (Note 23)		
At beginning of the year	**131,500**	-
Financing cash flows:		
- Advances received	**12,575,344**	131,500
- Repayment of advances	**(10,178,093)**	-
	2,397,251	131,500
At the end of year	**2,528,751**	131,500

31. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature have arisen between the end of the reporting period and the date of authorisation for issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding reporting period.

DETAILED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025	2024
	S$	S$
Revenue		
Service income	**26,448,720**	20,834,785
Sales of vehicles and spare parts	**6,007,695**	-
	32,456,415	20,834,785
Cost of sales		
Aircraft operation and maintenance charges	**15,089,647**	11,581,006
Commission for aircraft	**587,393**	-
Cost of goods sold – vehicles	**5,241,118**	-
Cost of goods sold – spares	**348,802**	-
Depreciation of plant and equipment	**9,031,534**	7,361,024
Freight, logistics and storage charge	**225,018**	-
Interest on lease liabilities	**2,245,809**	1,392,475
Transportation	**68,979**	-
Warranty and remediation	**1,565**	-
Warehouse	**51,602**	-
Withholding tax	**215,887**	173,644
	33,107,354	20,508,149
Gross (loss)/ profit	**(650,939)**	326,636
Other income		
Foreign currency exchange gain	**1,725,138**	1,420,893
Gain on disposal of plant and equipment	**-**	74,340
Interest income	**387,731**	324,601
Interest income on loan	**1,614,550**	1,954,592
Rental income	**92,469**	41,963
Technical and management fee from associate	**4,032,540**	-
Others	**204,649**	-
	8,057,077	3,816,389
Total income	**7,406,138**	4,143,025
Less: expenses		
- Schedule 'A'	**(67,218,748)**	(5,694,743)
Loss before income tax	**(59,812,610)**	(1,551,718)

This schedule does not form part of the statutory audited financial statements.

Schedule 'A'
EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025	2024
	S$	S$
Administrative expenses		
Auditors' remuneration	**50,000**	35,000
Bank charges	**170,384**	51,994
Book keeping fee	**-**	9,600
CPF contribution/ Superannuation fund	**20,354**	-
Donation	**5,000**	-
Entertainment	**15,972**	-
Gift	**116**	-
Legal and professional fee	**441,033**	61,939
Miscellaneous expense	**99,935**	1,633
Meeting expenses	**17,632**	-
Network development	**47,010**	-
Office expense	**26,012**	-
Office rental	**3,700**	9,650
Printing and stationery	**578**	100
Professional and consultancy fee	**14,779,337**	4,538,698
Research and development	**5,404,342**	-
Salary, bonus and allowance	**1,527,301**	499,606
Software tools	**67,623**	-
Staff insurance	**61,157**	14,938
Staff training	**1,200**	-
Staff welfare	**3,852**	3,056
Subscription and membership fee	**43,022**	12,124
Telecommunications	**5,087**	-
Transportation	**59,636**	-
Travelling expense	**1,926,725**	57,977
Utilities	**9,548**	5,030
Vehicle expense	**36,099**	22,121
Marketing and distribution		
Marketing fee	**759,243**	-
Sales agents fee	**22,022**	-
Warehouse	**9,869**	-
Impairment loss on financial assets		
Impairment loss on advances to subsidiary	**34,873,619**	-
Finance costs		
Interest on lease liability	**26,926**	17,882
Interest on loan	**179,475**	6,864
Other expense		
Depreciation of plant and equipment	**485,572**	345,963
Fine and penalty	**-**	568
Impairment loss on investment in subsidiary	**5,836,381**	-
Loss on disposal of plant and equipment	**199,083**	-
Withholding tax	**3,903**	-
	67,218,748	5,694,743

This schedule does not form part of the statutory audited financial statements.

RE-STATED ACCOUNTS OF
TVS MOTOR (SINGAPORE) PTE. LIMITED

TVS MOTOR (SINGAPORE) PTE. LIMITED

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	SGD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	1.66	10.61
Intangible Assets	1	20.71	131.92
Right of use asset	1	98.98	630.61
Investments Accounted Using Equity Method		13.76	71.50
Non-current investments	2	639.54	3,581.72
Financial assets - others	3	33.34	210.57
Deferred Tax Asset		0.24	1.55
		808.23	4,638.48
Current assets			
Financial assets			
Invetories		6.68	42.56
Trade receivables	4	43.54	278.85
Cash and cash equivalents	5	8.00	50.96
Other Financial assets	6	54.36	346.30
Other current assets	7	11.24	71.57
		123.82	790.24
Total Assets		932.06	5,428.72
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	927.49	5,308.10
Other equity	9	(100.47)	(548.69)
		827.02	4,759.41
Share application money pending allotment		-	-
Liabilities			
Non-Current liabilities			
Financial liabilities			
Lease liability		92.38	588.55
		92.38	588.55
Current liabilities			
Financial liabilities			
(i) Lease liability		-	-
(ii) Trade payables	10		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (ii) (a) above		12.39	78.96
Other current liabilities	11	0.28	1.80
		12.67	80.76
Total liabilities		105.05	669.31
Total equity and liabilities		932.06	5,428.72

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

		Notes	SGD in Mn.	Rupees in crores
I	Revenue from operations	12	38.21	241.45
II	Other income	13	2.30	14.54
III	Total Income (I +II)		40.51	255.99
IV	Expenses:			
	Cost of material consumed		5.54	35.00
	Employee benefits expense	14	1.55	9.79
	Finance costs	15	2.45	15.49
	Depreciation and amortisation expense	16	9.51	60.13
	Other expenses	17	81.27	513.47
			100.32	633.88
V	Profit before exceptional items (III - IV)		(59.81)	(377.89)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(59.81)	(377.89)
VIII	Tax expense			
	i) Current tax		(0.21)	(1.30)
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(59.60)	(376.59)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	9.22
			-	9.22
XI	Total Comprehensive Income (IX + X)		(59.60)	(367.37)
XII	Earnings per equity share (Face value of SGD 1/- each)			
	Basic & Diluted earnings per share (in SGD / in rupees)		(0.06)	(4.06)

TVS MOTOR (SINGAPORE) PTE. LIMITED

Notes on Accounts

1 Property, Plant & Equipment — SGD in Mn.

Description	Lease Hold Improvements	Plant & equipment	Furniture and fixtures	Vehicles	Office equipments	ROU Asset	Total	Intangible assets	Total
	1	2	3	4	5	6	7	8	9
Cost of assets									
Gross carrying value as at 01-04-2024	-	-	0.12	1.96	0.03	51.35	53.46	-	-
Additions	0.02	0.00	-	0.43	0.01	82.02	82.46	20.71	20.71
Sub-total	0.02	0.00	0.12	2.39	0.03	133.38	135.92	20.71	20.71
Sales / deletion	-		-	0.37	-	5.58	5.95	-	-
Total	0.02	-	0.12	2.02	0.03	127.80	129.97	20.71	20.71
Depreciation / Amortisation									
Upto 31-03-2024	-	-	-	0.24	0.03	19.70	19.97	-	-
For the year	-	-	-	0.40	0.00	9.11	9.51	-	-
Sub-total	-	-	-	0.64	0.03	28.81	29.48	-	-
Withdrawn on assets sold / deleted	-	-	-	0.13	-	-	0.13	-	-
Total	-	-	-	0.51	0.03	28.81	29.35	-	-
Carrying value									
As at 31-03-2025	0.02	-	0.12	1.51	-	98.99	100.64	20.71	20.71

1 Property, Plant & Equipment — Rupees in crores

Description	Lease Hold Improvements	Plant & equipment	Furniture and fixtures	Vehicles	Office equipments	ROU Asset	Total	Intangible assets	Total
	1	2	3	4	5	6	7	8	9
Cost of assets									
Gross carrying value as at 01-04-2024	-	-	0.74	7.07	0.16	271.69	279.66	-	-
Additions	0.13	0.02	-	2.74	0.04	522.57	525.50	131.92	131.92
Foreign Currency translation reserve difference	0.00	(0.02)	0.02	5.39	(0.01)	55.51	60.90	0.02	0.02
Sales / deletion	-	-	-	2.33	-	35.56	37.89	-	-
Total	0.13	-	0.76	12.87	0.19	814.21	828.17	131.94	131.94
Depreciation / Amortisation									
Upto 31-03-2024	-	-	-	1.31	0.16	41.64	43.11		-
For the year	-	-	-	2.53	0.00	57.60	60.13	-	-
Foreign Currency translation reserve difference	-	-	-	0.26	0.03	84.29	84.58	-	
Withdrawn on assets sold / deleted	-	-	-	0.85	-	-	0.85	-	-
Total	-	-	-	3.25	0.19	183.53	186.97	-	-
Carrying value									
As at 31-03-2025	0.13	-	0.76	9.62	-	630.69	641.20	131.94	131.94

Notes on accounts - *(continued)*

	As at 31-03-2025	
	SGD in Mn.	Rupees in crores
2 NON-CURRENT INVESTMENTS		
Investment in Equity instruments		
Investment in Subsidiary		
15,73,00,000 fully paidup equity shares of The Norton Motorcycle Company Ltd, UK ((face value of GBP 1 each)	271.45	1,607.82
25,158,918 fully paidup equity shares of TVS Digital Pte Limited, Singapore (face value of SGD1 each)	25.16	138.78
2,87,92,149 fully paidup equity shares of GO AG, Switzerland (face value of CHF1 each)	58.32	343.24
2,69,831 fully paidup equity shares of Swiss E-Mobility Group (Holding) AG, Switzerland (face value of CHF 1 each)	207.49	1,233.36
1990 fully paidup equity shares of EBCO Limited (face value of GBP)	8.82	54.77
25,000 fully paidup equity shares of Celerity (face value of Euro 1 each)	0.04	0.22
Investment in Associates		
53,24,187 fully paidup equity shares of PT.TVS Motor	76.06	253.18
Company Indonesia (face value of IDR 97,400 each)		
Others		
3,26,064 fully paidup Preference shares of Mottu Holdings Ltd,	18.68	119.00
USA (face value of USD 0.001 each)		
575 fully paidup equity shares of ARC Ride Limited	1.37	8.73
UK (face value of GBP 0.01 each)		
12547 fuly paid Preference shares of Quadrant Esports Ltd.	0.17	1.07
(face value of USD 0.001 each)		
TVS Company Philippines BR. - Investments in Bonds	0.01	0.08
Convertible note DAT Bike, Singapore	4.69	29.90
42,33,530 fully paid Equity shares of Zapata Group B.V	7.99	50.93
Less: Provision for impairment	40.71	259.36
	639.54	3,581.72
3 FINANCIAL ASSETS - OTHERS (NON CURRENT)		
Share application money paid (pending allotment)	15.29	95.58
Trade deposits	18.05	114.99
	33.34	210.57

	As at 31-03-2025	
	SGD in Mn.	Rupees in crores
4 TRADE RECEIVABLES		
Unsecured, considered good	43.54	278.85
	43.54	278.85
5 CASH AND CASH EQUIVALENTS		
Balances with banks in current accounts	8.00	50.96
	8.00	50.96
6 FINANCIAL ASSETS - OTHERS (CURRENT)		
Interest Receivables	2.74	17.43
Interest on others	-	-
Loans & Advances	51.62	328.87
	54.36	346.30
7 OTHER CURRENT ASSETS		
Advances	9.92	63.19
Prepaid expenses	0.64	4.06
Trade deposits	0.34	2.16
Others	0.34	2.16
	11.24	71.57
8 EQUITY SHARE CAPITAL		
Issued, subscribed and fully paid up:		
927,488,807 Ordinary shares of SGD 1 each	927.49	5,308.10
	927.49	5,308.10
9 OTHER EQUITY		
Retained earnings	(100.47)	(595.52)
Foreign currency translation reserve	-	46.83
	(100.47)	(548.69)
10 TRADE PAYABLES		
Dues to Micro and Small Enterprises**		
Dues to enterprises other than Micro and Small Enterprises	12.39	78.96
	12.39	78.96

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

11 OTHER CURRENT LIABILITIES		
Other payables	0.28	1.80
	0.28	1.80

Notes on accounts - *(continued)*

		For the Year Ended 31-03-2025	
		SGD in Mn.	Rupees in crores
12	REVENUE FROM OPERATIONS		
	Sale of service	32.45	205.07
	Other operating revenue	5.76	36.38
		38.21	241.45
13	OTHER INCEOME		
	Interest Income	1.97	12.46
	Other non operating income	0.33	2.08
		2.30	14.54
14	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	1.52	9.59
	Contribution to provident and other funds	0.02	0.13
	Staff welfare expenses	0.01	0.07
		1.55	9.79
15	FINANCE COST		
	Interest on lease liabilities	2.27	14.36
	Interest	0.18	1.13
		2.45	15.49
16	DEPRECIATION		
	Depreciation on property plant and equipment	0.40	2.55
	Depreciation on right of use asset	9.11	57.58
		9.51	60.13
17	OTHER EXPENSES		
	(a) Rates and taxes (excluding taxes on income)	0.22	1.36
	(b) Audit fees	0.05	0.32
	(c) Repair and maintenance	15.09	95.34
	(d) Miscellaneous expenses	65.91	416.45
		81.27	513.47

CELERITY MOTOR GMBH

BALANCE SHEET

in EUROs

Particulars	As at 31.03.2025	As at 31.03.2024
ASSETS		
Non-current assets		
Property, plant and equipment	32,50,000.00	32,50,000.00
Exhibition models	4,79,755.30	-
Other intangible assets		
Less : Accumulated Depreciation	(10,04,230.01)	(5,20,343.84)
Total		
Financial assets		
i. Investments	-	
ii. Other financial assets	-	-
Other non-current assets	-	-
Total non-current assets	**27,25,525.29**	**27,29,656.16**
Current assets		
Inventories Financial assets		
i. Trade receivables	7,48,874.55	4,69,381.25
ii. Cash and cash equivalents	4,78,687.70	64,263.75
iii. Bank balances other than (ii) above	-	-
iv. Investments	-	-
v. Other financial assets	-	-
Current tax assets (Net)		
Other current assets	12,12,992.12	2,91,509.90
Total current assets	**24,40,554.37**	**8,25,154.90**
Total Assets	**51,66,079.66**	**35,54,811.06**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	59,25,000.00	25,000.00
Share capital Pending Allotment	-	55,65,775.31
Other equity	(20,56,721.88)	(20,80,973.19)
Total equity	**38,68,278.12**	**35,09,802.12**
Liabilities		
Non-current liabilities		
Financial liabilities		
i. Borrowings	-	-
ii. Lease liability	-	-
iii. Other financial liabilities	-	-
Provisions	-	-
Deferred tax liabilities (Net)		
Total non-current liabilities	**-**	**-**
Current liabilities		
Financial liabilities		
i. Borrowings	-	-
ii. Lease liability	-	-
iii. Trade payables	-	-
iv. Other financial liabilities	9,77,578.80	45,008.94
Other current liabilities	96,503.38	-
Current tax liability	49.60	-
Provisions	2,23,669.75	-
Total current liabilities	**12,97,801.53**	**45,008.94**
Total liabilities	**12,97,801.53**	**45,008.94**
Total equity and liabilities	**51,66,079.66**	**35,54,811.06**

STATEMENT OF PROFIT AND LOSS

in EURO

	Particulars	Year ended 31.03.2025	Year ended 31.03.2024
I	**Income**		
	Revenue from operations	31,69,253.56	4,56,938.51
	Other income	17,186.53	8,127.66
	Total income	**31,86,440.09**	**4,65,066.17**
II	**Expenses**		
	Cost of materials & Services consumed	1,09,867.89	2,779.98
	and Stock-in-Trade	-	-
	Employee benefit expenses	9,52,173.78	8,88,824.43
	Finance costs	-	-
	Depreciation and amortisation expense	4,83,886.17	5,20,343.84
	Other expenses	16,15,850.97	2,96,147.32
	Total expenses	**31,61,778.81**	**17,08,095.57**
III	**Profit before exceptional items and tax (I- II)**	**24,661.28**	**(12,43,029.40)**
IV	Exceptional items - income / (expense)	-	-
V	**Profit before tax (III +IV)**	**24,661.28**	**(12,43,029.40)**
VI	Income tax expense	409.97	-
	Current tax	-	-
	Deferred tax charge/(credit)	-	-
VII	**Profit for the year (V-VI)**	**24,251.31**	**(12,43,029.40)**
VIII	**Other comprehensive income**		
	Items that will not be reclassified to profit and loss	-	-
	Re measurement of post employment benefit obligations	-	-
	Change in fair value of equity instruments		
	Income tax relating to these items		
	Items that will be reclassified to profit and loss	-	-
	Transactions relating to Derivative instruments	-	-
	Income tax relating to these items		
	Other comprehensive income for the year, net of tax	**–**	**–**
IX	**Total comprehensive income for the year (VII+VIII)**	24,251.31	(12,43,029.40)

RE-STATED ACCOUNTS OF
CELERITY MOTOR GMBH

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	Euro in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment		0.25	2.29
Other intangible assets	1	2.48	22.81
Capital work-in-progress		-	-
Non-current investments		-	-
Financial assets - others		-	-
Other non current assets		-	-
		2.73	25.10
Current assets			
Financial assets			
Inventory		-	-
Trade receivables	2	0.75	6.90
Cash and cash equivalents	3	0.48	4.41
Other current assets	4	1.21	11.17
		2.44	22.48
Total Assets		5.17	47.58
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	0.03	0.22
Other equity	6	3.84	35.41
		3.87	35.63
Share application money pending allotment		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings			
(ii) Lease liability		-	-
(iii) Trade payables			
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (iii) (a) above		-	-
iv. Other financial liabilities		0.98	9.00
Provisions		0.32	2.95
		1.30	11.95
Total liabilities		1.30	11.95
Total equity and liabilities		5.17	47.58

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

		Notes	Euro in Mn.	Rupees in crores
I	Revenue from operations	6	3.18	28.85
II	Other income	7	0.01	0.07
III	Total Income (I +II)		3.19	28.92
IV	Expenses:			
	Cost of material consumed		1.21	11.02
	Changes in inventories of finished goods work-in-progress and stock-in-trade		-	-
	Employee benefits expense	8	0.96	8.67
	Depreciation and amortisation expense	9	0.48	4.39
	Other expenses	10	0.51	4.61
			3.17	28.69
V	Profit before exceptional items (III - IV)		0.02	0.23
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		0.02	0.23
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		0.02	0.23
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	5.45
			-	5.45
XI	Total Comprehensive Income (IX + X)		0.02	5.68
XII	Earnings per equity share (Face value of Euro 1/- each)			
	Basic & Diluted earnings per share (in Euro / in rupees)		0.84	92.00

CELERITY MOTOR GMBH

Notes on Accounts

1. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Euro in Mn.

Description	Office equipment	Vehicles	Furnitures&Fixtures	Total	Good will	Total
	1	2	3	4	5	6
Cost of assets						
Gross carrying value as at 01-04-2024	-	-		-	3.25	3.25
Additions	0.02	0.07	0.18	0.27	0.21	0.21
Sub-total	0.02	0.07	0.18	0.27	3.46	3.46
Sales / deletion	-	-		-	-	-
Total	0.02	0.07	0.18	0.27	3.46	3.46
Depreciation / Amortisation						
Upto 31-03-2024	-	-		-	0.52	0.52
For the year	-	0.01	0.01	0.02	0.46	0.48
Sub-total	-	0.01	0.01	0.02	0.98	0.98
Withdrawn on assets sold / deleted	-	-		-	-	-
Total	-	0.01	0.01	0.02	0.98	0.98
Carrying value						
As at 31-03-2025	0.02	0.06	0.17	0.25	2.48	2.48

1 Property, Plant & Equipment

Rupees in crores

Description	Office equipment	Vehicles	Furnitures&Fixtures	Total	Good will	Total
	1	2	3	4	5	6
Cost of assets						
Gross carrying value as at 01-04-2024	-	-	-	-	29.21	29.21
Additions	0.19	0.64	1.65	2.48	1.93	1.93
Foreign Currency translation reserve difference	-	-	0.01	0.01	0.72	0.72
Sales / deletion	-	-		-	-	-
Total	0.19	0.64	1.66	2.49	31.86	31.86
Depreciation / Amortisation						
Upto 31-03-2024	-	-	-	-	4.68	4.68
For the year	-	0.10	0.10	0.20	4.19	4.19
Foreign Currency translation reserve difference	-	0.00	0.00	0.00	0.19	0.19
Withdrawn on assets sold / deleted	-	-	-	-	-	-
Total	-	0.10	0.10	0.20	9.06	9.06
Carrying value						
As at 31-03-2025	0.19	0.54	1.56	2.29	22.81	22.81

Notes on accounts - *(continued)*

		As at 31-03-2025	
		SGD in Mn.	Rupees in crores
2	TRADE RECEIVABLES		
	Unsecured, considered good	0.75	6.90
		0.75	6.90
3	OTHER CURRENT ASSETS		
	Vendor Advances	0.01	0.07
	Others	1.20	11.10
		1.21	11.17
4	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	25000 Ordinary shares of 1 Euro each	0.03	0.22
		0.03	0.22
5	OTHER EQUITY		
	Retained earnings	3.84	34.71
	Foreign currency translation reserve	-	0.70
		3.84	35.41

		For the Year Ended 31-03-2025	
		SGD in Mn.	Rupees in crores
6	REVENUE FROM OPERATIONS		
	Revenue	3.17	28.76
	Other operating revenue	0.01	0.09
		3.18	28.85
7	OTHER INCEOME		
	Interest Income	-	0.02
	Profit on sale of asset	0.01	0.05
		0.01	0.07
8	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	0.82	7.40
	Contribution to provident and other funds	0.14	1.24
	Staff welfare expenses	-	0.03
		0.96	8.67
9	DEPRECIATION		
	Depreciation and amortisation expense	0.48	4.39
		0.48	4.39
10	OTHER EXPENSES		
	Rent	0.05	0.43
	Rates and taxes (excluding taxes on income)	0.01	0.09
	Advertisement	0.16	1.42
	Car rental	0.01	0.05
	Data, Communication & IT expenses	0.01	0.05
	Facility management	0.01	0.11
	Gas, electricity, water	0.02	0.20
	Printing & stationery	-	0.04
	Professional Fees	0.11	1.01
	Travelling Expenses	0.05	0.46
	Vehicle Usage & Other Insurance	0.02	0.21
	Others	0.06	0.54
		0.51	4.61

STRATEGIC REPORT FOR THE PERIOD ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

Founded in 1898, Norton is Britain's iconic sports motorcycle brand. It is among the most popular motorcycles brands in the world and is one of the most emotive marques today. TVS Motor Company Limited, India acquired the Norton brand and certain assets in April 2020 and 'The Norton Motorcycle Co Limited' ('the Company' or 'Norton') was formed. Post acquisition, the company has since established a modern, state of art manufacturing facility at Solar Park, Solihull, West Midlands. The Company manufactures and sells motorcycles, parts, accessories both directly and indirectly through dealers in United Kingdom.

The company has firmed up its business plan with a series of new products to be launched in 2025-26 and later, catering to various segments of the premium motorcycle market, with plans to launch across the globe utilizing both Norton managed dealer networks and distributors. Introduction of these new products with superior features and cutting-edge technologies in a timely manner is key to success of the business. The Company on boarded few Directors, who have extensive automotive, dealing with managing global organizations to support the growth of the global operations.

Summary of the financial results are as under:

Details	£m
Revenue	3.5
Loss before tax	(36.7)

The parent company has infused share capital to the tune of £157.3 million which were used to fund the initial acquisition cost, creating the manufacturing facility & equipment, investment in the future product plan and the operational expenses. The company has also utilized a loan facility of US$30m with a bank, for which the repayment has commenced. The Company has currently an overdraft of £5 million to meet its working capital needs and utilized £3.4 million as at 31 March 2025.

The Company has incurred a loss of £36.7M, which are primarily for cost incurred for the development of the business, systems, infrastructure and process, ahead of the launch of the new products and global expansion. The Parent Company closely monitors the progress of development and supports on a regular basis.

Corporate Structure

The Norton Motorcycle Co. Limited is a wholly owned subsidiary of TVS Motor (Singapore) Pte Limited, whose shares are 100% held by TVS Motor Company Limited which is one of the largest two and three-wheeler manufacturers in the world. The ultimate parent company, TVS Holdings Limited is a listed organization in India.

Principal Risks and uncertainties

Risk Management

Risk Management is a top priority. Process have been defined to identify, mitigate, review and manage the risk. Board of Directors is responsible for the overall governance. The Company has a structured cadence to review the new investments, product development, commercial build up, cost controls, etc. As the Company plans to launch new models, it's important to have a structured risk management policy and process.

Commercial

Initially the company's products will be sold in UK market and gradually expanded to European countries, USA, and other Asian markets. The success of the business also depends on economic conditions, and growth trajectory in these countries. Since the company's potential market spread across multiple countries & geographies, the economic and commercial risk of the business is well spread among these markets and this diversified market potential helps to mitigate this risk.

Supply Chain

The company is committed to producing products with high quality standards, establishing a robust supply chain in its journey of relaunching this iconic brand to its rightful place at the global level. In this regard, TVS Motor India's strength and capabilities in various aspects of business will be leveraged to bring more efficiencies in quality, cost, and delivery. The Company is exposed to risks from supply chain shortages in the market place, for which a clear cadence for mitigation exists. The current geo-political factors with US could create a short term challenge, however the Company continues to monitor the situation and its impact & modify the strategy accordingly.

Compliance

Non-adherence by the Company with legislation in which the Company operates (United Kingdom) could affect the ability to operate. The Company has put in controls to monitor this closely. As the Company expands globally, appropriate governance will be built to monitor the regulatory compliance of each country where the business will operate.

Financials

The Company is exposed to variety of financial risks that include liquidity and currency.

Liquidity risk — Norton has a mix of short term and long-term funds (debt and equity) required to take care of the financing requirements.

Currency risk — Norton has obtained non-GBP funding and has taken a hedge to secure against the forex risk. As of now, Norton does not sell in any export markets.

Since the new products are yet to be commercialized, there's a greater reliance on the financial support from the parent. Further, the parent company has confirmed its continuing support for the company and its intention to continue supporting the Company for the foreseeable future.

Research and Development

The Company has consistently pursued in-house research and development excellence since its inception. In recent years, it has further intensified the R&D investments that are sharply focused on chosen strategic areas with a concentration on investing in building world-class in-house skill sets in technology research, product design and development as well as an exclusive team of specialized engineers for strategic software coding & calibration. The company will be fully leveraging TVS Motor India's engineering and R & D capabilities in the development of both internal combustion engine powered and electric vehicles. Along with developing the required technologies to meet & exceed the stringent emissions and safety norms, the team of engineers will also be focusing on breakthrough technology initiatives to meet the future mobility needs and the high expectations of the customers in accordance with the business plans of the company.

The company also collaborates with leading research and educational institutions in UK and in other countries to identify the emerging trends in advanced technology development.

Key performance indicators

During the last fiscal year, periodic reviews and board meetings were conducted to review the progress on new product development, project costs, gross margin of products, fixed costs, stock, and debtor levels, working capital position and evaluation of funding requirements.

Going Concern

The company has embarked on a journey of reviving the glory of Norton brand by producing and selling superior products which are of high quality coupled with unique design and advanced technology. It has firmed up its praduct plans for the medium term and is in the process of mobilizing the required resources for executing the same. The shareholders are fully committed in making this project a success and has demonstrated their commitment by way of injecting equity capital to the extent of £157.3 million so far.

The Directors consider that the company will continue to operate in the foreseeable future and hence adopts the going concern basis.

On behalf of the Board
S M MISHRA
Director
9th May 2025

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The Principal business of The Norton Motorcycle Co. Limited (Norton) is design, engineering, manufacturing, distributing and selling of high end premium two wheelers.

Results and dividends

The results for the year are set out on page 4.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Venu Srinivasan	
Prof. Sir Ralf Dieter Speth	
Sudarshan Venu	
K.N. Radha Krishnan	
Sharad Mohan Mishra	
Peter Houghton	(Resigned 3 July 2024)
Hendrik Dietrich Eberhard Von Kuenheim	
Richard Arnold	(Appointed 12 June 2024)
Robert Hentschel	(Appointed 12 June 2024)
Nevijo Mance	(Appointed 12 November 2024)

Auditor

In accordance with the company's articles, a resolution proposing that Spencer Gardner Dickins (Audit Services) Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management objectives, review of performance, research and development activities and future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the Board
SHARAD MOHAN MISHRA
Director
9th May 2025

Independent Auditor's Report to the Member of The Norton Motorcycle co. Limited

Opinion

We have audited the financial statements of The Norton Motorcycle Co. Limited (the 'company') for the year ended 31 March 2025 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiring of management and those charged with governance around actual and potential litigation and claims.
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls and risk of fraud in revenue recognition, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at https:// www. fre.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose, To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

Demsey Slater FCCA
Senior Statutory Auditor
For and on behalf of Spencer Gardner Dickins (Audit Services) Limited

Chartered Accountants
Statutory Auditor

3 Coventry Innovation Village
Cheetah Road
Coventry
CV1 2TL
Date 15 May 2025

BALANCE SHEET AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Intangible assets	**10**		42,562,914		29,158,939
Tangible assets	**11**		9,436,438		9,678,701
			51,999,352		38,837,640
Current assets					
Stocks	**13**	8,574,799		11,111,381	
Debtors	**14**	3,740,329		4,503,846	
Cash at bank and in hand		5,484		53	
		12,320,612		15,615,280	
Creditors: amounts falling due within one year	**15**	(23,486,660)		(15,967,892)	
Net current assets			(11,166,048)		(352,612)
Total assets less current liabilities			40,833,304		38,485,028
Creditors: amounts falling due after more than one year	**16**		(12,512,662)		(21,374,287)
Net assets			28,320,642		17,110,741
Capital and reserves					
Called up share capital	**19**		157,300,001		109,800,001
Hedging reserve	**20**		(838,472)		(466,346)
Profit and loss reserves	**20**		(128,140,887)		(92,222,914)
Total equity			28,320,642		17,110,741

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 9 May 2025 and are signed on its behalf by:

Sharad Mohan Mishra
Director
Company Registration No. 12545195 (England and Wales)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover	**3**	3,477,682	3,992,342
Cost of sales		(6,158,492)	(5,590,543)
Gross loss		(2,680,810)	(1,598,201)
Administrative expenses		(31,772,598)	(34,578,846)
Operating loss	**4**	(34,453,408)	(36,177,047)
Interest payable and similar expenses	**8**	(2,252,430)	(2,059,656)
Loss before taxation		(36,705,838)	(38,236,703)
Tax on loss	**9**	787,865	381,445
Loss for the financial year		(35,917,973)	(37,855,258)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Loss for the year	(35,917,973)	(37,855,258)
Other comprehensive income		
Cash flow hedges loss arising in the year	(372,126)	(257,574)
Total comprehensive income for the year	(36,290,099)	(38,112,832)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Hedging reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2023		74,300,001	(208,772)	(54,367,656)	19,723,573
Year ended 31 March 2024: Loss		-	-	(37,855,258)	(37,855,258)
Other comprehensive income: Cash flow hedges gains		-	(257,574)	-	(257,574)
Total comprehensive income		-	(257,574)	(37,855,258)	(38,112,832)
Issue of share capital	**19**	35,500,000	-	-	35,500,000
Balance at 31 March 2024		109,800,001	(466,346)	(92,222,914)	17,110,741
Year ended 31 March 2025: Loss		-	-	(35,917,973)	(35,917,973)
Other comprehensive income: Cash flow hedges gains		-	(372,126)	-	(372,126)
Total comprehensive income		-	(372,126)	(35,917,973)	(36,290,099)
Issue of share capital	**19**	47,500,000	-	-	47,500,000
Balance at 31 March 2025		157,300,001	(838,472)	(128,140,887)	28,320,642

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2025

1 Accounting policies

Company information

The Norton Motorcycle Co. Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Bartholomew Lane, London, EC2N 2AX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain hedging related items at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

At the reporting date, the company was 100% owned by TVS Motor (Singapore) Pte Ltd, a company incorporated in Singapore. The ultimate parent company was TVS Holdings Limited, a company incorporated in India. The registered office is "Chaitanya" No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600 006, Tamil Nadu, India.

1.2 Going concern

The Company has continued to make significant losses in the financial year as it has continued commercial production whilst developing a new model range.

The directors have prepared a cash flow forecast and have reviewed future financing requirements for the company for at least 12 months from the expected date that these financial statements will be signed. Taking into account funds required for ongoing operations, expected future investment and any potential refinancing requirements, the directors are satisfied that sufficient facilities have been confirmed by the parent company to meet its working capital for at least 12 months following the date of signing these financial statements.

Further, the parent company has confirmed its continuing support for the company and its intention to continue supporting the company with working capital as and when required. The directors are therefore confident, and the company has adequate resources and working capital to continue in operational excellence for the foreseeable future to meet its ongoing liabilities.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

License fee income is recognised at fair value in the period to which it relates.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated and is amortised over the life of the product to which it relates once the product is placed in the market.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost or valuation and are subsequently measured at cost or valuation less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Intangible assets comprise acquired brand names, intellectual property and goodwill and are carried at valuation less amortisation.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents and licences	8 years straight line
Development costs	5 - 8 years straight line
Brand names and trademarks	8 years straight line

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	8 years straight line
Plant and equipment	3 and 10 years straight line
Fixtures and fittings	3 years straight line
Computers	3 years straight line
Motor vehicles	6 - 8 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. All stock is valued using the average cost methodology.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Hedge accounting

The company designates certain hedging instruments, including derivatives, embedded derivatives and non derivatives, as either fair value hedges or cash flow hedges. At the inception of the hedge relationship, the company documents the relationship between the hedging instrument and the hedged item along with risk management objectives and strategy for undertaking various hedge transactions. At the inception of the hedge and on an ongoing basis, the company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

For derivatives that are designated and qualify as cash flow hedges, the effective portion of changes in the fair value of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Any gain or loss previously recognised in other comprehensive income is reclassified to profit or loss when the hedge relationship ends. This occurs when the hedging instrument expires or no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised, or the hedging instrument is terminated.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements, estimates and assumptions which have had the most significant effect on amounts recognised in the financial statements and which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock obsolescence provisions

At each balance sheet date the directors assess stock for obsolescence. Due to the size and nature of stock this is a key accounting estimate.

During the year, the company revised its method for estimating inventory obsolescence provisions. The provision is applied to inventory lines which are no longer used in production, based on a general assessment of their likelihood of future use or sale. This approach is reviewed periodically.

Tangible and intangible fixed assets

Judgements are required on estimating the useful economic lives of tangible and intangible fixed assets. In selecting the depreciation and amortisation rates the directors have taken note of industry specific practices together with asset specific factors to ensure that the rates selected best fit the expected useful economic life of the assets being depreciated and amortised. Where an indication of impairment is identified the estimation of recoverable value requires estimation.

Deferred tax

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits. At the balance sheet date no deferred tax asset has been recognised. See note nine for additional information on unrelieved losses.

Capitalisation of development costs

Having due regard for section 18 of FRS102, management judgement has been applied in estimating the proportion of time spent by staff involved with the development of intangible assets. In addition to employee time costs the directors have reviewed other costs, such as travel, and gave capitalized any costs that were directly attributable to the creation of the intangible assets. No proportion of overheads or non-directly attributable costs have been capitlaised as part of the intangible assets.

No impairment has been made against any of the intangible assets. Management have forecast the future financial contribution to be derived from the finalised intangible assets and have concluded that such contribution is more than the expected costs of the completed intangible assets.

3 Turnover

	2025	2024
	£	£
Turnover analysed by class of business		
Motorcycle sales	3,293,175	3,854,054
Parts and servicing	90,296	49,479
Royalty income	5,562	8,000
Other income	88,649	80,809
	3,477,682	3,992,342

4 Operating loss

	2025	2024
Operating loss for the year is stated after charging/(crediting):	£	£
Exchange gains	(310,701)	(334,456)
Research and development costs	592,135	3,719,224
Depreciation of owned tangible fixed assets	2,253,125	2,462,870
Profit on disposal of tangible fixed assets	(62,800)	(17,712)
Amortisation of intangible assets	3,964,726	3,816,624
Operating lease charges	837,548	763,802

5 Auditor's remuneration

	2025	2024
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	42,000	52,650
For other services		
Taxation compliance services	890	3,000
All other non-audit services	12,085	10,415
	12,975	13,415

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Administration	64	66
Production	157	170
Total	221	236

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	13,677,594	13,267,406
Social security costs	1,274,223	1,206,518
Pension costs	617,742	718,747
	15,569,559	15,192,671

£3,554,847 (2024: £2,809,601) of wages and salary costs, £420,435 (2024: £263,789) of social security costs and £373,244 (2024: £192,824) of pension costs have been capitalised as development costs and are not included in the figures noted above.

7 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	1,003,507	18,075
Company pension contributions to defined contribution schemes	7,292	-
	1,010,799	18,075

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to one (2024: nil).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2025	2024
	£	£
Remuneration for qualifying services	636,507	-

8 Interest payable and similar expenses

	2025	2024
	£	£
Interest on bank overdrafts and loans	1,973,820	1,788,889
Other interest on financial liabilities	278,610	270,767
	2,252,430	2,059,656

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

9 Taxation

	2025	2024
	£	£
Current tax		
Adjustments in respect of prior periods	(787,865)	(381,445)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2025	2024
	£	£
Loss before taxation	(36,705,838)	(38,236,703)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	(9,176,460)	(9,559,176)
Tax effect of expenses that are not deductible in determining taxable profit	-	154,279
Unutilised tax losses carried forward	9,176,460	9,404,897
Research and development tax credit in respect of prior period	(787,865)	(381,445)
Taxation credit for the year	(787,865)	(381,445)

At the year end the company had unrelieved tax losses in excess of £100m (2024: in excess of £100m).

10 Intangible fixed assets

	Patents and licences	Development costs	Brand names and trademarks	Total
	£	£	£	£
Cost				
At 1 April 2024	429,000	17,843,812	24,016,280	42,289,092
Additions	-	17,368,701	-	17,368,701
At 31 March 2025	429,000	35,212,513	24,016,280	59,657,793
Amortisation and impairment				
At 1 April 2024	187,688	1,521,972	11,420,493	13,130,153
Amortisation charged for the year	53,625	909,316	3,001,785	3,964,726
At 31 March 2025	241,313	2,431,288	14,422,278	17,094,879
Carrying amount				
At 31 March 2025	187,687	32,781,225	9,594,002	42,562,914
At 31 March 2024	241,312	16,321,840	12,595,787	29,158,939

The company has a number of development costs at the year end which can split into two categories. The first category relates to items being amortised. At the year end development costs with a cost totaling £3.8m retained a net book value of £1.75m. These assets have two years of amortisation remaining.

The remainder of the intangible assets are under development and will start to be amortised once they are in use.

11 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	4,995,410	4,336,975	2,401,957	1,058,371	2,273,103	15,065,816
Additions	-	1,608,231	177,598	134,398	246,556	2,166,783
Disposals	-	(103,366)	-	-	(170,759)	(274,125)
Transfers	-	(15,230)	1,404	13,826	-	-
At 31 March 2025	4,995,410	5,826,610	2,580,959	1,206,595	2,348,900	16,958,474
Depreciation and impairment						
At 1 April 2024	1,432,048	809,868	1,745,759	689,796	709,644	5,387,115
Depreciation charged in the year	624,426	472,146	518,740	260,128	377,685	2,253,125
Eliminated in respect of disposals	-	-	-	-	(118,204)	(118,204)
At 31 March 2025	2,056,474	1,282,014	2,264,499	949,924	969,125	7,522,036
Carrying amount						
At 31 March 2025	2,938,936	4,544,596	316,460	256,671	1,379,775	9,436,438
At 31 March 2024	3,563,362	3,527,107	656,198	368,575	1,563,459	9,678,701

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

12 Financial instruments

	2025	2024
	£	£
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
- Other financial liabilities	1,316,027	943,900

13 Stocks

	2025	2024
	£	£
Raw materials and consumables	7,431,237	9,606,748
Work in progress	61,092	547,438
Finished goods and goods for resale	1,082,470	957,195
	8,574,799	11,111,381

The above values are shown net of a stock provision which totals £1.2m (2024: £nil).

14 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	35,996	575,243
Amounts owed by group undertakings	402,635	242,261
Other debtors	556,461	858,875
Prepayments and accrued income	2,745,237	2,827,467
	3,740,329	4,503,846

15 Creditors: amounts falling due within one year

		2025	2024
Notes		£	£
Bank loans and overdrafts	**17**	10,600,534	5,608,708
Trade creditors		3,833,683	2,907,749
Amounts owed to group undertakings		4,087,432	2,736,266
Taxation and social security		800,291	560,090
Derivative financial instruments		1,316,027	943,900
Other creditors		665,688	901,778
Accruals and deferred income		2,183,005	2,309,401
		23,486,660	15,967,892

16 Creditors: amounts falling due after more than one year

		2025	2024
Notes		£	£
Bank loans and overdrafts	**17**	12,512,662	21,374,287

17 Loans and overdrafts

	2025	2024
	£	£
Bank loans	19,662,754	23,749,208
Bank overdrafts	3,450,442	3,233,787
	23,113,196	26,982,995
Payable within one year	10,600,534	5,608,708
Payable after one year	12,512,662	21,374,287

As shown at Companies House the bank loan is secured by a charge over the company's assets dated 1 August 2024.

The bank loan bears interest of 2.60% per annum over SOFR and is repayable by December 2027.

18 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	617,742	718,747

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

	2025	2024	2025	2024
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	157,300,001	109,800,001	157,300,001	109,800,001

The company has one class of ordinary shares which have full rights to voting, dividends and capital distribution. They do not confer any rights of redemption.

At various points during the year a total of 47,500,000 ordinary shares of £1 each were issued for cash at par.

20 Reserves

Hedging reserve

The hedging reserve represents accumulated gains or losses on hedging transactions.

Profit and loss reserves

Profit and loss reserves represent the retained profits of the company since its inception.

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	1,152,230	583,638
Between two and five years	3,550,009	1,990,595
In over five years	286,194	770,918
	4,988,433	3,345,151

Included within the above are two leases taken on in the year with a combined lease commitment of £2m at the reporting date. These leases are covered by an agreement with a fellow group company whereby all costs are recharged in full to the fellow group company meaning that the company itself bears no costs arising from this lease.
The lease commitment as at 31 March 2024 per the signed accounts was £5.8m. This has been adjusted above to reflect the correct final position.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

22 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2025	2024
	£	£
Acquisition of tangible fixed assets	1,377,401	1,487,005

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is disclosed in note 7.

Other information

The company has taken advantage of the exemption under the terms of FRS102 not to disclose related party transactions with wholly owned companies within the group.

24 Cash flow hedges

During 2023 the company took out a loan facility of $30m. To mitigate against currency fluctuations the company also entered into a currency swap agreement. The hedging instrument used was a forward currency contract which had a fair value of £20.807m (2024 £25.534m) at the year end.

Two repayments representing cash flows from this hedging transaction occurred in the year and further transactions are expected in line with loan repayments.

The amount of change in fair value of the hedging instrument recognised in other comprehensive income during the year was a loss of £372k (2024: £257k). The amount of hedge ineffectiveness recognised in the profit and loss for the year was a loss of £nil (2024: £219k).

RE-STATED ACCOUNTS OF
THE NORTON MOTORCYCLE CO. LIMITED
(FORMERLY PROJECT 303 BIDCO LIMITED)

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	GBP in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	9.44	104.46
Intangible assets	1	42.56	471.19
		52.00	575.65
Current assets			
Inventories	2	8.57	94.93
Financial assets			
Trade receivables	3	0.59	6.56
Cash and cash equivalents		0.01	0.06
Other current assets	4	3.15	34.85
		12.32	136.40
Total Assets		64.32	712.05
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	157.30	1,607.82
Other equity	6	(128.98)	(1,294.30)
		28.32	313.52
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings		13.56	150.13
		13.56	150.13
Current liabilities			
Financial liabilities			
(i) Borrowings		10.60	117.35
(ii) Trade payables	7		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (ii) (a) above		6.87	76.08
(iii) Other financial liabilities		1.32	14.57
Other current liabilities	8	3.65	40.40
		22.44	248.40
Total liabilities		36.00	398.53
Total equity and liabilities		64.32	712.05

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

		Notes	GBP in Mn.	Rupees in crores
I	Revenue from operations	9	3.79	40.86
II	Other income	10	0.06	0.68
III	Total Income (I +II)		3.85	41.54
IV	Expenses:			
	Cost of material consumed		5.29	57.88
	Purchase of stock in trade		-	-
	Changes in inventories of finished goods, Stock-in -trade and work-in-progress		0.37	3.14
	Employee benefits expense	11	16.04	173.00
	Finance costs	12	2.25	24.29
	Depreciation and amortisation expense	13	6.22	67.06
	Other expenses	14	10.39	112.03
			40.56	437.40
V	Profit before exceptional items (III - IV)		(36.71)	(395.86)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(36.71)	(395.86)
VIII	Tax expense			
	i) Current tax		(0.79)	(8.50)
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(35.92)	(387.36)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Fair value of cash flow hedges		(0.37)	(4.01)
	Foreign currency translation adjustments		-	6.10
			(0.37)	2.09
XI	Total Comprehensive Income (IX + X)		(36.29)	(385.27)
XII	Earnings per equity share (Face value of GBP 1/- each)			
	Basic & Diluted earnings per share (in GBP/ in rupees)		(0.23)	(24.63)

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

GBP in Mn.

Description	Property, Plant & Equipment						Other Intangible			
	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Total	Brand names and trademarks	Development costs	Patents and Licenses	Total
Cost of assets										
Gross carrying value as at 01-04-2024	5.00	4.34	2.40	1.06	2.27	15.07	24.02	17.84	0.43	42.29
Additions	-	1.59	0.18	0.15	0.25	2.17	-	17.37	-	17.37
Sub-total	5.00	5.93	2.58	1.21	2.52	17.23	24.02	35.21	0.43	59.66
Transfers	-	-	-	-	-	-	-	-		-
Sales / deletion	-	0.10			0.17	0.27	-	-	-	-
Total	5.00	5.83	2.58	1.21	2.35	16.96	24.02	35.21	0.43	59.66
Depreciation / Amortisation										
Upto 31-03-2024	1.43	0.81	1.75	0.69	0.71	5.39	11.42	1.52	0.19	13.13
For the year	0.62	0.47	0.52	0.26	0.38	2.25	3.00	0.91	0.05	3.96
Sub-total	2.06	1.28	2.26	0.95	1.09	7.64	14.42	2.43	0.24	17.09
Withdrawn on assets sold / deleted	-	-	-	-	0.12	0.12	-	-	-	-
Total	2.06	1.28	2.26	0.95	0.97	7.52	14.42	2.43	0.24	17.09
Carrying value										
As at 31-03-2025	2.94	4.54	0.32	0.26	1.38	9.44	9.59	32.78	0.19	42.56

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS - (continued)

Rupees in crores

Description	Property, Plant & Equipment						Other Intangible			
	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Total	Brand names and trademarks	Development Costs	Patents and Licenses	Total
Cost of assets										
Gross carrying value as at 01-04-2024	52.47	45.55	25.23	11.12	23.87	158.24	252.25	187.42	4.51	444.17
Additions	-	17.63	1.98	1.64	2.73	23.98	-	192.28	-	192.28
Foreign Currency translation reserve difference	2.83	2.46	1.36	0.60	1.29	8.54	13.62	10.12	0.24	23.98
Sales / deletion	-	1.14	-	-	1.89	3.03	-	-	-	-
Total	55.30	64.50	28.57	13.36	26.00	187.73	265.87	389.81	4.75	660.43
Depreciation / Amortisation										
Upto 31-03-2024	15.04	8.51	18.34	7.25	7.45	56.58	119.95	15.99	1.97	137.91
For the year	6.73	5.09	5.59	2.81	4.07	24.30	32.37	9.81	0.58	42.76
Foreign Currency translation reserve difference	0.99	0.59	1.14	0.47	0.51	3.70	7.33	1.12	0.12	8.58
Withdrawn on assets sold / deleted	-	-	-	-	1.31	1.31	-	-	-	-
Total	22.77	14.19	25.07	10.52	10.73	83.27	159.66	26.91	2.67	189.24
Carrying value										
As at 31-03-2025	32.53	50.31	3.50	2.85	15.27	104.46	106.21	362.91	2.08	471.19

Notes on accounts - *(continued)*

	As at 31-03-2025	
	GBP in Mn.	Rupees in crores
2 INVENTORIES		
Raw materials and components	7.43	82.27
Work in progress	0.06	0.68
Finished goods	1.08	11.98
	8.57	94.93
3 TRADE RECEIVABLES		
Unsecured, considered good	0.59	6.56
	0.59	6.56
4 OTHER CURRENT ASSETS		
Vendor advance	0.40	4.46
Prepaid expenses	2.75	30.39
	#REF!	#REF!
5 EQUITY SHARE CAPITAL		
Issued, subscribed and fully paid up:		
157,300,001 Ordinary shares of GBP 1 each	157.30	1,607.82
	157.30	1,607.82
6 OTHER EQUITY		
Retained earnings	(128.14)	(1,316.04)
Fair value of cash flow hedges	(0.84)	(8.71)
Foreign currency translation reserve	-	30.45
	(128.98)	(1,294.30)
7 TRADE PAYABLES		
Dues to Micro and Small Enterprises**	-	-
Dues to enterprises other than Micro and Small Enterprises	6.87	76.08
	6.87	76.08

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management

8 OTHER CURRENT LIABILITIES		
Employee related liability	0.80	8.86
Advance from customers	0.67	7.37
Deferred income	2.18	24.17
	3.65	40.40

	For the Year Ended 31-03-2025	
	GBP in Mn.	Rupees in crores
9 REVENUE FROM OPERATIONS		
Sale of Product	3.29	35.52
Sale of service	0.10	1.03
Other operating revenues	0.40	4.31
	3.79	40.86
10 OTHER INCEOME		
Other non operating income	0.06	0.68
	0.06	0.68
11 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	15.42	166.34
Contribution to provident and other funds	0.62	6.66
	16.04	173.00
12 FINANCE COST		
Interest expense	2.25	24.29
	2.25	24.29
13 DEPRECIATION		
Depreciation on property plant and equipment	2.25	24.30
Amortisation on Intangible assets	3.96	42.76
	6.22	67.06
14 OTHER EXPENSES		
(a) Rent	0.63	6.80
(b) Insurance	0.53	5.75
(c) Audit fees	0.05	0.59
(d) Other marketing expenses	1.12	12.10
(e) Miscellaneous expenses	8.06	86.79
	10.39	112.03

Directors' Statement

The directors present their statement to the member together with the audited financial statements of TVS DIGITAL PTE. LTD. (the "company") for the financial year ended 31 March 2025.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the company for the financial year then ended; and

(b) at the date of this statement, with the continued financial support from its immediate holding company, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the company in office at the date of this statement are:

Venu Srinivasan

Venu Sudarshan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors who held office at the end of the financial year, had no interest in the shares of the company and related corporations as recorded in the register of directors' shareholdings required to be kept by the company under Section 164 of the Singapore Companies Act 1967.

5. SHARE OPTIONS

During the financial year, no option to take up unissued shares of the company was granted.

During the financial year, there were no shares of the company issued by virtue of the exercise of options to take up unissued shares.

As at the end of the financial year, there were no unissued shares of the company under option.

6. AUDITOR

Rama & Co LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board

Venu Srinivasan
Director

Sudarshan Venu.
Director

Date:

Independent Auditors' report to the Member of TVS Digital Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TVS DIGITAL PTE. LTD. (the "company"), which comprise the statement of financial position as at 31 March 2025, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management 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.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirement

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

RAMA & CO. LLP
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS
SINGAPORE
Singapore,
~~29th April 2025~~

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025	2024
		S$	S$
ASSETS			
Non-current assets:			
Plant and equipment	(8)	682,894	340,740
Intangible assets	(9)	155,118	440,315
Investments in associates	(10)	18,741,480	21,296,265
Other investment	(11)	6,780,039	-
Total non-current assets		26,359,531	22,077,320
Current assets:			
Trade and other receivables	(12)	901,626	2,393,707
Bank balances	(13)	2,896,525	493,418
Total current assets		3,798,151	2,887,125
Total assets		30,157,682	24,964,445
EQUITY AND LIABILITIES			
Equity:			
Share capital	(14)	25,158,918	25,158,918
Share application money	(15)	6,700,000	1,700,000
Accumulated losses		(34,092,074)	(23,130,173)
Total (capital deficiency)/ equity		(2,233,156)	3,728,745
Non-current liability:			
Lease liability	(16)	428,760	-
Current liabilities:			
Current portion of lease liability	(16)	203,884	159,640
Trade and other payables	(17)	31,758,194	21,076,060
Total current liabilities		31,962,078	21,235,700
Total liabilities		32,390,838	21,235,700
Total equity and liabilities		30,157,682	24,964,445

The accompanying notes form an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		S$	S$
Revenue	(18)	1,412,915	2,319,212
Cost of services		(1,094,270)	(879,212)
Gross profit		318,645	1,440,000
Other income	(19)	2,000	141,997
Administrative expenses		(9,186,586)	(9,462,808)
Impairment loss on trade receivables	(12)	(920,621)	-
Finance cost	(20)	(6,317)	(11,219)
Other expenses		(1,169,022)	(3,102,405)
Loss before income tax		(10,961,901)	(10,994,435)
Income tax expense	(21)	-	-
Loss for the year	(22)	(10,961,901)	(10,994,435)
Other comprehensive income		-	-
Total comprehensive loss for the year		(10,961,901)	(10,994,435)

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital	Share Application Money	Accumulated Losses	Total
	S$	S$	S$	S$
Balance as at 1 April 2023	25,158,918	9,654,992	(12,135,738)	22,678,172
Transfer to other payables	-	(9,654,992)	-	(9,654,992)
Share application money received	-	1,700,000	-	1,700,000
Total comprehensive loss for the year	-	-	(10,994,435)	(10,994,435)
Balance as at 31 March 2024	25,158,918	1,700,000	(23,130,173)	3,728,745
Share application money received	-	5,000,000	-	5,000,000
Total comprehensive loss for the year	-	-	(10,961,901)	(10,961,901)
Balance as at 31 March 2025	25,158,918	6,700,000	(34,092,074)	(2,233,156)

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		S$	S$
Cash flows from operating activities			
Loss before income tax		(10,961,901)	(10,994,435)
Adjustments for:			
Amortisation of intangible assets	(9)	285,197	446,767
Depreciation of plant and equipment	(8)	354,091	336,735
Impairment loss on trade receivables	(12)	920,621	-
Impairment loss on investment	(10)	-	2,762,653
Interest on lease liability		6,317	11,219
Reversal of accrued revenue		809,740	-
Operating cash flows before working capital changes		(8,585,935)	(7,437,061)
Trade and other receivables		(238,280)	(1,794,232)
Trade and other payables		(262,354)	649,846
Net cash used in operating activities		(9,086,569)	(8,581,447)
Investing activities:			
Other investment	(11)	(6,780,039)	-
Proceeds from disposal of investments		2,554,785	-
Purchase of plant and equipment	(8)	(47,569)	(68,000)
Net cash used in investing activities		(4,272,823)	(68,000)
Financing activities:			
Advances from holding company	(23)	10,941,891	7,576,736
Advances from related party	(23)	2,597	6,410
Repayment of advances to related party	(23)	-	(32,516)
Payment of principal portion of lease liability	(23)	(175,672)	(164,201)
Payment of interest portion of lease liability	(23)	(6,317)	(11,219)
Share application money received		5,000,000	1,700,000
Net cash generated from financing activities		15,762,499	9,075,210
Net increase in bank balances		2,403,107	425,763
Bank balances at beginning of year		493,418	67,655
Bank balances at end of year	(13)	2,896,525	493,418

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

a) Corporate Information

TVS Digital Pte. Ltd. (the "company") (Registration number: 202114606H) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office at:

1 Kim Seng Promenade

#11-11 Great World City

Singapore 237994

The company is established with a mission to deliver high quality digital solutions that help address real life business challenges of global companies in the automotive financial services and manufacturing industries, by harnessing the power of exponential technologies including Internet of Things (IOT), Analytics and Data Science, Artificial Intelligence & Machine Learning (AI & ML), Augmented Reality (AR) and Virtual Reality (VR).

b) Going concern

At the end of the reporting date, the company incurred a net loss of S$10,961,901 during the financial year ended 31 March 2025, and as of the date, the company's total liabilities exceed its total assets by S$2,233,156. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, its immediate holding company will continue to provide financial support to the company to enable it to discharge its obligations as and when they fall due.

c) Authorisation of financial statements for issue

The financial statements of the company for the year ended 31 March 2025 were authorised for issue by the Board of Directors on _____.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1. Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up and in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 Inventories and value in use in FRS 36 Impairment of Assets.

In addition, for financial reporting purpose, fair value measurements are described in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumption. The areas involving a higher degree of judgement or complexity or areas when assumption and estimates are significant to the financial statements as disclosed in Note 4.

2.2. Changes in Accounting Policies

a) Adoption of new revised FRSs and INT FRSs

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2024. The adoption of these new/ revised FRSs and INT FRSs did not result in substantial changes to the company's accounting policies and had no material effect on the amounts reported for the current financial year.

b) Standards issued but not yet effective

At the date of authorisation of financial statements, the following FRSs that are relevant to the company were issued but not effective are as follows:

Reference	Description	Effective for annual periods beginning on or after
FRS 110 and FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Various	Annual Improvements to FRSs—Volume 11	1 January 2026
FRS 109, FRS 107	Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
FRS 118	Presentation and Disclosure in Financial Statements	1 January 2026

2.3. Functional and Foreign Currency

a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the "functional currency"). The functional currency of the company is Singapore dollar.

The financial statements of the company are presented in Singapore dollar.

b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss.

2.4. Plant and Equipment

a) Measurement

Plant and equipment are initially stated at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

b) Components of costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

c) Depreciation

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation is calculated on the straight line method to write off the cost of the plant and equipment over their estimated useful lives as follows:

	Years
Computer and IT equipment	2 to 3
Renovation	2 to 3
Building (Right-of-use asset)	3

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

The residual values, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

d) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in profit or loss during the financial year in which it is incurred.

e) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.5 Intangible Assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful from the point at which at asset is ready for use.

Amortisation is calculated in the straight-line method to write off the cost of intangible assets, over their estimated useful lives of 3 years.

Intangible asset refers to capitalisation of costs relating to development of software.

2.6. Associates

An associate is an entity over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in the associate companies is stated at cost, less impairment if any.

The company did not perform equity accounting of the results of the associate as the ultimate holding company, TVS Holdings Limited will be preparing the consolidated financial statements, which are available for public use at their registered office at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

2.7. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.8. Bank balances

Bank balances in statements of cash flows comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are classified as measured at amortised cost under FRS 109.

2.9. Leases

As a lessee

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

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is considered to exist if the company has both the right to obtain substantially all of the economic benefits from the use of an identified asset and the right to direct the use of that asset.

At lease commencement date, the company recognises a right-of-use asset and a corresponding lease liability on the statement of financial position.

Right-of-Use Asset

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life (which is determined on the same basis as those of plant and equipment).

The company also assesses the right-of-use asset for impairment when such indicators exist. In addition, the right-of-use asset is periodically adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate, being the rate, it would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee, lease payments arising from extension options reasonably certain to be exercised, exercise price under purchase option reasonably certain to be exercised and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise items of office equipment with individual values not exceeding S$15,000.

2.10. Revenue Recognition

Revenue from sale of goods and services in the ordinary course of business is recognised when the company satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is the amount of consideration in the contract to which the company expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the completion reflecting the progress towards complete satisfaction of that PO.

Service income of the company is earned when the actual service is provided to the customers, fulfilling its obligations as per the contracts signed with customers. The company generates the

revenue from delivering software-as-a-service to its global customers (usage of cloud hosted software developed by the company and delivered on mobile phones or PCs accessible through web browsers) and one-time services (project management & software setup).

Revenue relating to the sale of software is recognised at a point in time when the company transfers control of the software to the customer. Control of the software transfers when the software is made available to the customer, and the company has not retained any significant risks of ownership or future obligations with respect to the software.

2.11. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

b) Deferred tax

Deferred tax is provided, using the liability method on all temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences carry-forward of unutilised tax assets and unutilised tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unutilised tax assets and unutilised tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit or loss nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at the each of reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12. Employee Benefits

a) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

b) Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state-managed schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the company's obligations under the plans are equivalent to those arising in a defined contribution plan.

2.13. Related Parties

A related party is a person or an entity related to the company and is further defined as follows:

a) A person or a close member of that person's family is related to the company if that person:

i) has control or joint control over the company;

ii) has significant influence over the company; or

ii) is a member of the key management personnel of the company or of a parent of the company.

b) An entity is related to the company if any of the following conditions applies:

i) the entity and the company are members of the same group i.e each parent, subsidiary and fellow subsidiary is related to the others;

ii) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;

iii) both entities are joint ventures of the same third party;

iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

v) the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;

vi) the entity is controlled or jointly controlled by a person identified in (a);

vii) a person identified in (a) i) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity; or

viii) the entity, or any member of the group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the company.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS 24 – Related Party Disclosures.

2.14. Provisions

Provisions are recognised when the company has present obligations (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.15. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.16. Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

3.1. Financial Assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the assets within the time frame established by the market concerned.

a) Classification and subsequent measurement

Initial recognition and measurement

Financial assets are classified, at initial recognition, at amortised cost and fair value through other comprehensive income (OCI).

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. The company initially measures a financial asset at its fair value.

Trade receivables are measured at the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

Financial assets at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate (EIR) method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in other income.

As at the reporting date, the company's debt instruments at amortised cost consist of trade and other receivables and bank balances.

Financial assets at fair value through other comprehensive income (FVTOCI)

Equity instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that solely payments of principal and interest on the principal amount outstanding.

As at the reporting date, the company's financial assets at FVTOCI cost consist of unquoted equity investment.

b) Impairment of financial assets

The company recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

The company will recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets will be estimated using a provision matrix based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment pf both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company will recognises lifetime ECL when there has been significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the company measured the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast,12-month expected credit loss is the expected credit loss that result from default events that are possible within 12 months after the reporting date.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets gross carrying amount at the reporting date; or for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at reporting date, together with any additional amounts expected to be draw down in the future by default date determined based on historical trend, the company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows for the company in accordance with the contract and all the cash flows that the company expects to receive, discount at the original effect interest rate.

c) Derecognition of financial assets

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in profit or loss.

3.2. Equity and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified accordingly to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability.

a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital is classified as equity.

b) Financial liabilities

Financial liabilities at amortised cost

The company determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at fair value of consideration received net of transaction costs.

After initial recognition, they are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

Financial liabilities at amortised cost consist of lease liability, trade and other payables.

c) Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payables, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1. Critical Accounting Judgements

Determination of functional currency

In determining the functional currencies of the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the company is determined based on management's assessment of the primary economic environment in which the company operates and the company's process of determining sales prices.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

4.2. Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Impairment of investment in associates

The company follows the guidance of FRS 36 in determining the recoverability of its investment in associates. The company determines the recoverable amount of the associates based on the associates' net assets values at the end of the reporting period as in the opinion of the management, the net assets values of these associates reasonably approximate the fair values less costs to sell.

The carrying amount of investment in associates is disclosed in Note 10 to the financial statements.

b) Impairment of plant and equipment

As the end of the reporting period, the company assesses whether plant and equipment have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of plant and equipment have been determined based on value-in use calculations. These calculations and valuations require the use of judgement and estimates on future operating cash flows and discount rates adopted.

The carrying amount of plant and equipment are disclosed in Note 8 to the financial statements.

c) Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which the intangible assets are allocated. This requires the company to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

The carrying amount of intangible assets is disclosed in Note 9 to the financial statements.

d) Impairment of trade receivables

The company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on number of days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The carrying amount of the company's trade receivables as at the reporting date is disclosed in Note 12 to the financial statements.

5. FINANCIAL INSTRUMENTS, FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

5.1. Categories of financial assets and liabilities

The carrying amounts of financial assets and financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2025	2024
	S$	S$
Financial assets		
At amortised cost:		
- Trade and other receivables	874,332	2,181,710
- Bank balances	2,896,525	493,418
At fair value through other comprehensive income:		
- Other investment	6,780,039	-
	10,550,896	2,675,128
Financial liabilities		
At amortised cost:		
- Lease liability	632,644	159,640
- Trade and other payables	31,757,195	21,076,060
	32,389,839	21,235,700

5.2. Financial Risk Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal. The company adopt systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

The company is exposed to credit risk, foreign currency exchange rate risk and liquidity risk. The company is not significantly exposed to interest rate risk.

There has been no change to the company's exposure to these financial risks or the manner in which it manages measures the risk.

a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations to repay amounts owing to company resulting in a loss to the company. The company's primary exposure to credit risk arises through its trade receivables and bank balance.

It is the company's policy to enter into transactions with creditworthy customers and high credit rating counter-parties to mitigate any significant credit risk. The company has procedures in place to control credit risk and that exposure to such risk is monitored on an ongoing basis.

Credit risk management

The company considers the probability of default upon initial recognition of asset and at each reporting date, assesses whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

Significant increase in credit risk

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and includes forward-looking information such as the following:

- Credit rating information supplied by publicly available financial information;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and
- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase on credit risk is presumed if a debtor is more than 30 days past due in making contractual payment unless the company has reasonable and supportable information that demonstrates otherwise.

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Low credit risk

The company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

A financial asset is considered to have low credit risk if:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Credit-impaired

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counter-party or the borrower;
- A breach of contract, such as default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;

Default event

The company considers the following as constituting an event of default when:

- The borrower fails to make contractual payments, within 90 days when they fall due, unless the company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate; or
- Internal or external information indicates that the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any is held).

Write-off policy

The company categorises a receivable for potential write-off when:

- There is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery or
- When a debtor fails to make contractual payments more than 365 days past due.

Where receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Credit risk grading framework

The company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognizing expected credit loss (ECL)
I - Performing	Counterparty has a low risk of default and does not have any past due amounts and a strong capacity to meet contractual cash flows.	12-month ECL
II – Under performing	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
III – Default	Amount is > 90 days past due to or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit impaired
IV – Write off	Amount is > 365 days past due or there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

There are no significant changes to estimation techniques or assumptions made during the reporting period.

Simplified approach

The company applies the simplified approach using the provision matrix to provide for ECLs for trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The provision matrix is based on historical credit loss experience over the past three years and adjusted for forward-looking estimates. Trade receivables are grouped based on similar credit risk characteristics and days past due.

Expected credit loss assessment

The following are qualitative information on expected credit loss for financial assets under amortised cost:

- Trade receivables

These are due from customers that have a good credit record with the company. The loss allowance is measured based on lifetime ECL using the provision matrix. Details of ECL are disclosed in Note 12.

- Other receivables

Management assessed credit risk for other receivables has not increased significantly since their initial recognition. Therefore, these have been measured based on 12-month expected credit loss model and management considers the amount of ECL to be insignificant.

- Bank balances

The company places its bank deposit with credit worthy financial institution. Impairment on bank balances is measured on the 12-month expected loss basis. Management considers that its bank balances have low credit risk based on the external credit ratings of the counterparty. Therefore, management considers the amount of ECL to be insignificant.

Significant concentration of credit risk

As at the reporting date, the company has significant concentration of credit risk with three customers (2024: two customers) amounted to S$1,460,817 (2024: S$338,179), which accounted for 92% (2024: 84%) of its trade receivables.

The company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the company's financial instruments will fluctuate because of changes in market interest rate.

The company has bank balances that is non-interest bearing, therefore has no exposure to cash flow interest rate risk.

No interest rate sensitivity analysis is disclosed as the impact of changes in interest rate is not expected to be material.

c) Foreign currency exchange rate risk

Foreign currency exchange rate risk arose from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period and in the future periods.

The company transacts mainly in Singapore dollar. Management believes that the foreign exchange rate risk is manageable. Hence, the company does not use derivative financial instruments to mitigate this risk.

The company's exposure to foreign currency exchange rate risk in equivalent Singapore dollar is as follows:

	2025	2024
In United States dollar	S$	S$
Financial assets		
Other investment at FVTOCI	6,780,039	-
Trade and other receivables	707,064	1,443,964
Bank balances	2,337,304	15,227
	9,824,407	1,459,191
Financial liabilities		
Trade and other payables	185,893	263,409
Net exposure	9,638,514	1,195,782

Sensitivity analysis

A 10% increase or decrease is used when reporting foreign currency exchange rate risk internally to key management personnel and represents management's assessment of the possible change in foreign currency exchange rates.

A 10% strengthening of Singapore dollar against the following currency would increase/ (decrease) profit or loss and equity by the amount shown below:

	2025	2024
	S$	S$
US$ impact	(963,851)	(119,578)
INR impact	60,878	9,606

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

Contractual un discounted cash flows

2025	Effective interest rate (%)	Carrying amount	Less than a year	Within 2 to 5 years	Later than 5 years	Total
	S$	S$	S$	S$	S$	
Financial liabilities						
Lease liability	4.5% - 5%	632,644	230,892	450,591	-	681,483
Trade and other payables	-	31,757,195	31,757,195	-	-	31,757,195
		32,389,839	31,988,087	450,591	-	32,438,678

Contractual un discounted cash flows

2025	Effective interest rate (%)	Carrying amount	Less than a year	Within 2 to 5 years	Later than 5 years	Total
	S$	S$	S$	S$	S$	
Financial liabilities						
Lease liability	4.5%	159,640	163,254	-	-	163,254
Trade and other payables	-	21,076,060	21,076,060	-	-	21,076,060
		21,235,700	21,235,700	-	-	21,235,700

e) Fair value of financial assets and financial liabilities

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models as appropriate.

i) Financial assets and liabilities

Management has determined that the carrying amounts of bank balances, trade and other receivables, lease liability and other payables, based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature.

ii) Fair value hierarchy

a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 – Unobservable inputs for the asset or liability.

The company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

During the financial year ended 31 March 2025, there was no transfer between instruments in Level 1, Level 2 and Level 3, or vice versa.

The company does not anticipate that the carrying amounts recorded at end of the reporting period would significantly be different from the values that would eventually be received or settled.

iii) Assets measured at fair value

	Assets					
Financial Asset	2025 S$	2024 S$	Fair Value Hierarchy	Valuation Technique and Key Impact	Significant unobservable input	Relationship of unobservable inputs to fair value
At fair value through other comprehensive income						
Other investments - Equity securities (unquoted)	6,780,039		Level 3-	Income approach – discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries accordingly recognised at cost.	A significant increase in the discount for lack of marketability would result in a significant decrease in fair value.

5.3. Capital Risk Management Policies and Objectives

The company's objective when managing capital is to safeguard the company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as trade and other payables plus lease liability less bank balances. Total capital is calculated as equity and net debt. The company's overall strategy remains unchanged during the period.

	2025	2024
	S$	S$
Trade and other payables	31,758,194	21,076,060
Lease liability	632,644	159,640
Less: Bank balances	(2,896,525)	(493,418)
Net debt	29,494,313	20,742,282
Total equity	(2,233,156)	3,728,745
Total capital	27,261,157	24,471,027
Gearing ratio	108.2%	84.8%

6. HOLDING COMPANY

The company is wholly-owned subsidiary of TVS Motor (Singapore) Pte. Limited, incorporated in Singapore. The company's ultimate holding company is TVS Holdings Limited, incorporated in India. The registered office of the holding company is at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

Some of the company's transactions and arrangements are between members of the company and the effects of these on the basis determined between the parties are reflected in these financial statements.

Significant holding company transactions:

	2025	2024
	S$	S$
Service income	-	274,831
Recovery of manpower cost	-	(257,771)

7. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these financial statements.

(a) Significant related parties' transactions:

	2025	2024
	S$	S$
Service income	326,666	174,963
Recovery of manpower cost	-	(59,536)
Staff augmentation expense	(1,300,167)	-

(b) Key management personnel compensation:

	2025	2024
	S$	S$
Salaries, bonus, allowances and severance pay	2,177,063	1,136,868
Performance bonus	-	2,631,270
Employer's contribution to Central Provident Fund	12,240	15,242

8. PLANT AND EQUIPMENT

	Computer and IT Equipment	Renovation	Leasehold Property	Total
	S$	S$	S$	S$
Cost				
At 01.04.2023	12,393	387,687	363,217	763,297
Additions	39,500	28,500	-	68,000
At 31.03.2024	51,893	416,187	363,217	831,297
Additions	47,569	-	648,676	696,245
Disposal	-	-	(363,217)	(363,217)
At 31.03.2025	99,462	416,187	648,676	1,164,325
Accumulated depreciation				
At 01.04.2023	9,811	102,101	41,910	153,822
Charged for the year	5,845	163,252	167,638	336,735
At 31.03.2024	15,656	265,353	209,548	490,557
Charged for the year	31,569	150,834	171,688	354,091
Disposal	-	-	(363,217)	(363,217)
At 31.03.2025	47,225	416,187	18,019	481,431
Carrying amount				
At 31.03.2024	36,237	150,834	153,669	340,740
At 31.03.2025	52,237	-	630,657	682,894

At the end of the reporting period, the company carried out a review of the recoverable amount of all plant and equipment. As a result of the review, no allowances for impairment or revisions to the useful lives was found to be necessary for plant and equipment.

9. INTANGIBLE ASSETS

	Computer Software	Software Under Development	Total
	S$	S$	S$
Cost			
At 1.04.2023	874,945	465,355	1,340,300
Additions	465,355	(465,355)	-
At 31.03.2024 and 31.03.2025	**1,340,300**	**-**	**1,340,300**
Accumulated amortisation			
At 1.04.2023	453,218	-	453,218
Charged for the year	446,767	-	446,767
At 31.03.2024	899,985	-	899,985
Charged for the year	285,197	-	285,197
At 31.03.2025	**1,185,182**	**-**	**1,185,182**
Carrying amount			
At 31.03.2024	440,315	-	440,315
At 31.03.2025	**155,118**	**-**	**155,118**

10. INVESTMENT IN ASSOCIATES

	2025	2024
	S$	S$
Unquoted equity shares at cost:		
At beginning of the year	**21,296,265**	24,058,918
Less: Disposal	**(2,554,785)**	-
At end of the year	**18,741,480**	24,058,918
Less: Impairment loss	**-**	(2,762,653)
Carrying amount	**18,741,480**	21,296,265

The movement in allowance for impairment of investment in associates was as follows:

	2025	2024
	S$	S$
At beginning of the year	**2,762,653**	-
Addition during the year	**-**	2,762,653
Write off during the year	**(2,762,653)**	-
At end of the year	-	2,762,653

Details of the associates are as follows:

Name of associate/ Country of incorporation	Principal activity	Proportion of ownership Interest 2025	2024
Tagbox Pte Ltd Singapore	Providing Internet of Things (IoT) based solutions for sensing, monitoring and analysis across supply chain activities	**-**	24.3%
Predictronics Corp. United States of America	Providing end to end customisable predictive analytics platform and best in class predictive robot monitoring solution driven by high performing proprietary machine learning Artificial Intelligence (AI) models	**23.5%**	23.5%
Altizon Inc. United States of America	Empowering Industrial Digital Revolutions globally by digiting legacy factories and helping enterprises use machine data to drive business decisions	**20.0%**	20.0%
Scienaptic Systems Inc. United States of America	A leading AI-powered credit underwriting decisioning platform company	**17.7%**	21.7%

The company did not perform equity accounting of the results of the associate as the ultimate holding company, TVS Holdings Limited will be preparing the consolidated financial statements, which are available for public use at their registered office at No.12, Chaitanya Building, Khader Nawaz Khan Road, Chennai – 600 006, India.

In 2025, the company disposed all of its shares in Tagbox Pte Ltd.

At the end of the reporting period, the company carried out a review on the recoverable amount of its investment in associates. The recoverable amount of the relevant investment in each associate has been determined on the basis of its net assets value at the end of the reporting period.

As a result of the review, management had impaired the cost of investment in Tagbox Pte Ltd by S$2,762,653 for the financial year ended 31 March 2024. Management is of the view that no further impairment is necessary for its investment in associates for the financial year ended 31 March 2025.

11. OTHER INVESTMENT

	2025	2024
	S$	S$
Equity instruments		
At fair value through other comprehensive income:		
Unquoted equity investment:		
At beginning of the year	**-**	-
Addition	**6,780,039**	-
At end of the year	**6,780,039**	-

Details of the other investment are as follows:

Name of company	Country of incorporation	Proportion of ownership Interest 2025	2024
Commeasure Pte. Ltd.	Singapore	**2.06%**	-

Other investment is denominated in United States Dollar.

12. TRADE AND OTHER RECEIVABLES

	2025	2024
	S$	S$
Trade receivables – third parties	**1,589,907**	62,622
Trade receivables – intermediate holding company (Note 6)	**-**	246,000
Trade receivables – related parties (Note 7)	**2,902**	92,179
	1,592,809	400,801
Less: Allowance for impairment of trade receivables	(920,621)	-
Accrued revenue	**39,092**	1,623,961
	711,280	2,024,762
Deposits	**147,729**	156,948
Other receivable – third party	15,323	-
GST receivables	**16,012**	19,830
Prepayments	**11,282**	58,500
	901,626	2,393,707

Trade receivables are non-interest bearing and they are normally settled on 30 to 360 days' (2024: 30 to 150 days') term.

Trade receivables are not secured by any collateral or credit enhancement and are recognised at their original invoice amounts, which represents their fair values on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

The credit risk profile of trade receivables is presented based on their past due status as follows:

		Days past due			
2025	**Not past due**	**< 30 days**	**31 to 60 days**	**61 to 90 days**	**>90 days**	**Total**
	S$	**S$**	**S$**	**S$**	**S$**	**S$**
Trade receivables						
- gross amounts	**7,322**	**1,976**	**665,914**	**1,008**	**916,589**	**1,592,809**
Expected credit						
Loss (ECL)	**(1,008)**	(1,008)	(1,008)	**(1,008)**	(916,589)	(920,621)
672,188						

		Days past due			
2024	**Not past due**	**< 30 days**	**31 to 60 days**	**61 to 90 days**	**>90 days**	**Total**
	S$	**S$**	**S$**	**S$**	**S$**	**S$**
Trade receivables						
- gross amounts	339,292	31,951	29,558	-	-	400,801
Expected credit						
Loss (ECL)	-*	-*	-*	-*	-*	-*
						400,801

Allowance for expected credit loss

The movement in allowance for expected credit loss of trade receivables computed based on lifetime ECL was as follows:

	2025	**2024**
	S$	**S$**
At beginning of year	**-**	-
Add: Additional allowance	**920,621**	-
At end of year	**920,621**	-

Trade and other receivables are denominated in the following currencies: Singapore dollar

	2025	**2024**
	S$	**S$**
	150,881	604,190
United States dollar	**707,064**	1,443,964
Indian rupee	**2,902**	160,617
Indonesia rupee	**23,254**	9,881
Philippine peso	**17,525**	175,055
	901,626	2,393,707

13. BANK BALANCES

	2025	**2024**
	S$	**S$**
Cash at bank	**2,896,525**	493,418

Bank balances are denominated in the following currencies:

	2025	**2024**
	S$	**S$**
Singapore dollar	**559,221**	478,191
United States dollar	**2,337,304**	15,227
	2,896,525	493,418

14. SHARE CAPITAL

	2025	2024	2025	2024
	Number of ordinary shares		**S$**	**S$**
Issued and fully paid up:				
At the beginning and at the end of the year	**25,158,918**	25,158,918	**25,158,918**	25,158,918

15. SHARE APPLICATION MONEY

The share application money is advance receipt for future subscription of shares in the company.

16. LEASE LIABILITY

	2025	2024
	S$	S$
Maturity analysis:		
Within one year	**230,892**	163,254
Within two to five years	**450,591**	-
	681,483	163,254
Less: future finance charges	**(48,839)**	(3,614)
	632,644	159,640
Analysed as:		
Current	**203,884**	159,640
Non-current	**428,760**	-
	632,644	159,640

The company leases office premises for its operations (Note 8). The effective interest rate is 4.5% - 5% (2024: 4.5%) per annum.

Total cash outflows for the lease during the financial year ended 31 March 2025 amounted to S$181,989 (2024: S$175,420).

Lease liability is denominated in Singapore dollar.

17. TRADE AND OTHER PAYABLES

	2025	2024
	S$	S$
Trade payables:		
- third parties	**262,611**	234,057
- intermediate holding company (Note 6)	**249,408**	256,680
- related parties (Note 7)	**166,053**	97,944
	678,072	588,681
Amount due to immediate holding company (Note 6)	**28,173,619**	17,231,728
Amount due to intermediate holding company (Note 6)	**362,274**	362,274
Amount due to a related party (Note 7)	**748,768**	746,171
Accrued expenses	**1,779,014**	2,129,086
Advance billing	**999**	-
Deposit received	**6,955**	6,955
Other payables	**8,493**	11,165
	31,758,194	21,076,060

Trade payables are unsecured, non-interest bearing and they are normally settled on 30 to 60 days' (2024: 30 to 60 days') term.

Amounts due to immediate holding company, intermediate holding company and related parties are unsecured, interest free and repayable on demand.

Trade and other payables are denominated in the following currencies:

	2025	2024
	S$	S$
Indian rupee	**611,682**	256,680
Singapore dollar	**30,759,178**	20,486,434
United States dollar	**186,892**	263,409
Philippine Peso	**23,643**	15,879
Indonesia Rupiah	**176,799**	53,658
	31,758,194	21,076,060

19. OTHER INCOME

	2025	2024
	S$	S$
CPF Transition Offset	**-**	603
CIT cash grant	**2,000**	-
Foreign currency exchange gain	**-**	20,124
Insurance claim	**-**	32,516
Jobs Growth Incentive	**-**	58,396
Other miscellaneous income	**-**	30,358
	2,000	141,997

20. FINANCE COST

	2025	2024
	S$	S$
Interest on lease liability	**6,317**	11,219

21. INCOME TAX

The income tax benefit varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2024: 17%) to loss before income tax due to the following

	2025	2024
	S$	S$
Loss before income tax	**(10,961,901)**	(10,994,435)
Income tax benefit at statutory rate of 17% (2024: 17%)	**(1,863,523)**	(1,869,054)
Income tax effect of:		
- non-deductible expense	**78,882**	575,445
- tax losses carried forward	**1,784,641**	1,293,609
	-	-

The company has unutilised tax losses carry forward available for offsetting against future taxable income as follow:

	2025	2024
	S$	S$
At beginning of year	**18,415,369**	10,805,906
Addition during the year	**10,497,890**	7,609,463
At end of year	**28,913,259**	18,415,369
Deferred tax benefit on above unrecorded	**4,915,254**	3,130,613

The realisation of the future income tax benefits from these unutilised tax losses carried forward is available for an unlimited period subject to the conditions imposed by law including the retention of majority shareholders as defined.

The deferred tax benefits of tax losses carried forward has not been recognised in the financial statements because it is not probable that future taxable profits will be available against which the company can utilise the benefits.

Comparative year ended 31 March 2024 for unutilised tax losses have been adjusted for based on the latest income tax return.

22. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/ (crediting):

	2025	2024
	S$	S$
Amortisation of intangible assets	**285,197**	446,767
Cloud service cost	**760,413**	356,560
Depreciation of plant and equipment	**354,091**	336,735
Foreign currency exchange loss/ (gain)	2,796	(20,124)
Insurance expense	**168,684**	182,258
Manpower costs	-	317,307
Office expense	**50,849**	66,959
Professional and consultancy fees	**329,321**	407,359
Staff augmentation expense	**2,343,630**	557,470
Short-term employee's benefits	**5,580,493**	7,559,221
Cost of defined benefits plans included in employee benefits expenses	**189,953**	228,808

23. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the company's liabilities arising from financing activities, including both cash and non-cash changes.

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities.

	2025	2024
Lease liability (Note 16)	**S$**	**S$**
At beginning of the year	**159,640**	323,841
Financing cash flows:		
Less: Payment of principal	**(175,672)**	(164,201)
Less: Payment of interest	**(6,317)**	(11,219)
	(181,989)	(175,420)
Non-cash transactions:		
Add: New lease (Note 8)	**648,676**	-
Add: Interest expense	**6,317**	11,219
At the end of year	**632,644**	159,640

	2025	2024
Amount due to immediate holding company (Note 17)	**S$**	**S$**
At beginning of the year	**17,231,728**	-
Financing cash flow:		
Add: Advances received	**10,941,891**	7,576,736
Non-cash transaction:		
Add: Transfer from share application monies	**-**	9,654,992
At the end of year	**218,173,619**	17,231,728

	2025	2024
Amount due to a related party (Note 17)	**S$**	**S$**
At beginning of the year	**746,171**	772,277
Financing cash flows:		
Add: Advances received	**2,597**	6,410
Less: Repayment of advances	**-**	(32,516)
	2,597	(26,106)
At the end of year	**748,768**	746,171

24. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature have arisen between the end of the reporting period and the date of authorisation for issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding financial year.

DETAILED STATEMENT OF PROFIT OR LOSS

	2025	2024
	S$	**S$**
Revenue	**1,412,915**	2,319,212
Cost of service		
Amortisation of intangible assets	**(285,197)**	(446,767)
Cloud service cost	**(760,413)**	(356,560)
Service cost	**(17,205)**	(49,072)
Customer support	**(31,455)**	(26,813)
	(1,094,270)	(879,212)
Gross profit	**318,645**	1,440,000
Add: other income		
CPF Transition Offset	**-**	603
CIT cash grant	**2,000**	-
Foreign currency exchange gain	**-**	20,124
Jobs Growth Incentive	**-**	58,396
Insurance claim	**-**	32,516
Other miscellaneous income	**-**	30,358
	2,000	141,997
Total income	**320,645**	1,581,997
Less: Expenses		
- Schedule 'A'	**(11,282,546)**	(12,576,432)
Loss before income tax	**(10,961,901)**	(10,994,435)

This schedule does not form part of the statutory audited financial statements.

EXPENSES

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025	2024
	S$	S$
Administrative expenses		
Auditors' remuneration	**18,000**	18,000
Bank charges	**5,647**	10,480
Computer and IT expenses	**5,794**	5,761
Cloud development expense	**136,206**	135,098
CPF contribution	**189,953**	228,808
Equalization tax	**17,710**	9,569
Equipment leasing	**5,160**	4,730
General expense	**11,478**	5,710
Gifts	**1,671**	556
Insurance expense	**168,684**	182,258
Manpower costs	**-**	317,307
Marketing	**10,386**	11,593
Medical expense	**2,591**	4,204
Meeting and events expense	**7,514**	2,810
Office expense	**50,849**	66,959
Postage & courier	**2,755**	2,241
Professional and consultancy fees	**329,321**	407,359
Printing & Stationery	**5,105**	4,449
Recruitment expense	**129,189**	40,986
Refreshments & entertainments	**33,459**	26,331
Retainer fee and incentive	**-**	11,100
Salary and bonus	**5,212,175**	7,119,176
SDL	**1,755**	2,188
Service charge	23,559	-
Staff welfare	**6,557**	23,562
Subscription and membership fee	**10,252**	7,093
Software expenses	**178,595**	35,754
Staff augmentation expense	**2,343,630**	557,470
Telecommunications & internet	**25,624**	33,557
Training and development expense	**533**	1,213
Transport	**11,427**	14,455
Travelling expenses	**231,596**	165,694
Utilities	**4,540**	5,138
Vehicle expense	**4,871**	1,199
Impairment loss on financial assets		
Impairment loss on trade receivables	**920,621**	-
Finance cost		
Interest on lease liability	**6,317**	11,219
Other expense		
Depreciation of plant and equipment	**354,091**	336,735
Foreign currency exchange loss	**2,796**	-
Impairment loss on investment	**-**	2,762,653
Reversal of accrued revenue	**809,740**	
Withholding tax	**2,395**	3,017
	11,282,546	12,576,432

RE-STATED ACCOUNTS OF TVS DIGITAL PTE. LTD.

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	SGD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	0.05	0.33
Other intangible assets	1	0.16	0.99
Right of use asset		0.63	4.02
Investments Accounted Using Equity Method	2	18.74	109.61
Financial assets	3		
Non current investments		6.78	43.20
		26.36	158.15
Current assets			
Financial assets			
Trade receivables	4	0.67	4.28
Cash and cash equivalents	5	2.90	18.45
Other current assets	6	0.22	1.36
		3.79	24.09
Total Assets		30.14	182.24
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	25.16	138.78
Other equity	8	(34.09)	(205.35)
		(8.93)	(66.57)
Share application money pending allotment		6.70	42.55
Liabilities			
Non-Current liabilities			
Financial liabilities			
Lease liability		0.43	2.73
		0.43	2.73
Current liabilities			
Financial liabilities			
(i) Lease liability		0.20	1.30
(i) Trade payables	9		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (i) (a) above		29.98	191.03
Other Current liabilities	10	1.76	11.20
		31.94	203.53
Total liabilities		32.37	206.26
Total equity and liabilities		30.14	182.24

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

		Notes	SGD in Mn.	Rupees in crores
I	Revenue from operations	11	1.41	8.93
II	Other income		-	-
III	Total Income (I +II)		1.41	8.93
IV	Expenses:			
	Employee benefits expense	12	6.56	41.41
	Finance costs	13	0.01	0.04
	Depreciation and amortisation expense	14	0.64	4.03
	Other expenses	15	5.16	32.71
			12.37	78.19
V	Profit before exceptional items (III - IV)		(10.96)	(69.26)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(10.96)	(69.26)
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(10.96)	(69.26)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	6.82
			-	6.82
XI	Total Comprehensive Income (IX + X)		(10.96)	(62.44)
XII	Earnings per equity share (Face value of SGD 1/- each)			
	Basic & Diluted earnings per share (in SGD / in rupees)		(0.44)	(27.53)

Notes on Accounts

1. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

SGD in Mn.

Description	Property, Plant & Equipment					Other Intangible	
	Building	Office equipment	Right of use asset	Total		Software	Total
	1	2	3	4		5	6
Cost of assets							
Gross carrying value as at 01-04-2024	0.41	0.05	0.53	0.99		1.34	1.34
Additions	-	0.05	0.65	0.70		-	-
Sub-total	0.41	0.10	1.18	1.69		1.34	1.34
Sales / deletion	-	-	0.16	0.16		-	-
Total	0.41	0.10	1.02	1.53		1.34	1.34
Depreciation / Amortisation							
Upto 31-03-2024	0.26	0.02	0.22	0.50		0.90	0.90
For the year	0.15	0.03	0.17	0.35		0.29	0.29
Sub-total	0.41	0.05	0.39	0.85		1.19	1.19
Withdrawn on assets sold / deleted	-	-	-	-		-	-
Total	0.41	0.05	0.39	0.85		1.19	1.19
Carrying value							
As at 31-03-2025	-	0.05	0.63	0.68		0.16	0.16

1 Property, Plant & Equipment — Rupees in crores

Description	Property, Plant & Equipment					Other Intangible	
	Building	Office equipment	Right of use asset	Total		Software	Total
	1	2	3	4		5	6
Cost of assets							
Gross carrying value as at 01-04-2024	2.53	0.31	3.28	6.12		8.27	8.27
Additions	-	0.30	4.13	4.44		-	-
Foreign Currency translation reserve difference	0.08	0.01	0.11	0.20		0.50	0.50
Sales / deletion	-	-	1.02	1.02		-	
Sub-total	2.61	0.62	6.50	10.76		8.54	8.77
Total	2.61	0.62	6.50	10.76		8.54	8.77
Depreciation / Amortisation							
Upto 31-03-2024	1.61	0.12	1.33	3.06		2.29	2.29
For the year	0.94	0.20	1.08	2.23		1.80	1.80
Foreign Currency translation reserve difference	0.06	(0.03)	0.07	0.10		3.46	3.46
Withdrawn on assets sold / deleted	-	-	-	-		-	-
Sub-total	2.61	0.29	2.48	5.38		7.55	7.55
Total	2.61	0.29	2.48	5.38		7.55	7.55
Carrying value							
As at 31-03-2025	0.00	0.33	4.02	4.35		0.99	0.99

Notes on accounts - *(continued)*

		As at 31-03-2025	
		SGD in Mn.	Rupees in crores
2	Investments Accounted Using Equity Method		
	Investment in Associates		
	24,827 fully paidup equity shares of Predictronics Corp, USA (face value of USD 0.01 each)	4.36	22.36
	8,06,429 fully paidup equity shares of Altizon Inc, USA (face value of USD 0.00001 each)	4.66	25.34
	22,73,941 fully paidup equity shares of Scienaptic Systems Inc, USA (face value of USD 0.001 each)	9.72	61.91
		18.74	109.61
3	NON-CURRENT INVESTMENTS		
	78,703 fully paidup equity shares of GWC Family Fund Investment Pte Ltd (Commeasure Pte Ltd)	6.78	43.20
		6.78	43.20
4	TRADE RECEIVABLES		
	Unsecured, considered good	0.67	4.28
		0.67	4.28
5	CASH AND CASH EQUIVALENTS		
	Balances with banks in current accounts	2.90	18.45
		2.90	18.45
6	OTHER CURRENT ASSETS		
	Prepaid expenses	0.01	0.07
	Trade deposits	0.15	0.94
	Accrued Revenue	0.04	0.25
	Advances made	0.02	0.10
		0.22	1.36
7	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	25,158,918 Ordinary shares of SGD 1 each	25.16	138.78
		25.16	138.78
8	OTHER EQUITY		
	Retained earnings	(34.09)	(206.24)
	Foreign currency translation reserve	-	0.89
		(34.09)	(205.35)
9	TRADE PAYABLES		
	Dues to Micro and Small Enterprises**		
	Dues to enterprises other than Micro and Small Enterprises	29.98	191.03
		29.98	191.03

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

		As at 31-03-2025	
		SGD in Mn.	Rupees in crores
10	OTHER CURRENT LIABILITIES		
	Employee Related Liability	1.49	9.48
	Other Payables	0.27	1.72
		1.76	11.20

		For the Year Ended 31-03-2025	
		SGD in Mn.	Rupees in crores
11	REVENUE FROM OPERATIONS		
	Sale of service	1.41	8.93
		1.41	8.93
12	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	5.09	32.15
	Contribution to provident and other funds	0.19	1.20
	Staff Welfare Expenses	1.28	8.06
		6.56	41.41
13	FINANCE COST		
	Interest on lease liabilities	0.01	0.04
		0.01	0.04
14	DEPRECIATION		
	Depreciation on property plant and equipment	0.18	1.15
	Depreciation on Lease asset	0.17	1.08
	Amortisation on intangible assets	0.29	1.80
		0.64	4.03
15	OTHER EXPENSES		
	(a) Cost of services	0.81	5.11
	(b) Rent	0.02	0.15
	(c) Insurance	0.17	1.07
	(d) Rates and taxes (excluding taxes on income)	0.02	0.11
	(e) Administrative expenses	2.03	12.89
	(f) Other expenses	2.11	13.38
		5.16	32.71

TVS MOTOR COMPANY (EUROPE) B.V.

General

TVS Motor Company (Europe) B.V. (the Company) is a private company with limited liability (a wholly-owned subsidiary of TVS Motor Company Limited), incorporated under the laws of the Netherlands on 21 July 2005, having its corporate seat in Amsterdam, with offices at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands.

Results

As presented in the profit and loss account, the net result for the year 2024/2025 amounts to a loss of USD 182,471 (2023/2024: a loss of USD 128,054).

Summary of activities

The main activities of the Company consist of holding and financing activities.

BALANCE SHEET AS AT 31 MARCH 2025

(After appropriation of result)

	31 March 2025		31 March 2024	
	USD	USD	USD	USD
ASSETS				
Fixed assets				
Financial fixed assets	3,754,748		3,754,748	
		3,754,748		**3,754,748**
Current assets				
Receivables and prepayments	10,466		14,613	
Cash and cash equivalents	664		9,814	
		11,130		**24,427**
		3,765,878		**3,779,175**
EQUITY & LIABILITIES				
Equity				
Share capital	24,366,303		24,357,292	
Other reserves	(20,984,336)		(20,792,853)	
		3,381,967		**3,564,439**
Current liabilities	383,911		214,736	
		383,911		**214,736**
		3,765,878		**3,779,175**

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 APRIL 2024 UP TO AND INCLUDING 31 MARCH 2025

	31 March 2025		31 March 2024	
	USD	USD	USD	USD
General expenses	168,349		122,477	
Total general expenses		**168,349**		**122,477**
Operational result (loss)		**(168,349)**		**(122,477)**
Interest expense and similar	9,221		4,881	
Result on foreign currency translations	4,901		696	
Financial result (loss)		**(14,122)**		**(5,577)**
Result before taxation (loss)		**(182,471)**		**(128,054)**
Corporation tax		-		-
Result after taxation (loss)		**(182,471)**		**(128,054)**

General notes

General

TVS Motor Company (Europe) B.V. (the Company) is a private company with limited liability (a wholly-owned subsidiary of TVS Motor Company Limited), incorporated under the laws of the Netherlands on 21 July 2005, having its corporate seat in Amsterdam, with offices at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands.

The Company is registered at the Chamber of Commerce under number 34229984.

Activities

The main activities of the Company consist of holding and financing activities.

Global Minimum Taxation (GMT)

The Company is head of a Group, which is in scope of Pillar 2 tax (P2T) and is the P2T reporting entity. Since the Group has profitable participations in jurisdictions with an effective tax rate less than 15%, a P2T charge is due and included in these financial statements.

Directors' report

The Company has taken advantage of Article 395a section 6, Title 9, Book 2 of the Dutch Civil Code and has not presented a directors' report.

Accruals

The Company applies accrual accounting on income and expenses, which can involve estimates.

Estimates

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognized in the period in which the estimate is revised and in future periods for which the revision has consequences.

Comparison with previous year

The principles of valuation and determination of the result remained unchanged in comparison to previous year.

Related parties

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also entities which can control the Company are considered to be a related party. In addition, statutory directors, other key management of the Company or the ultimate parent company and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.

2. General accounting principles

Accounting policies

The financial statements have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards applicable for micro legal entities, as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving).

Based on Title 9, Book 2 of the Dutch Civil Code, the Company can be qualified as a so-called micro-sized company, but voluntarily discloses more information than required by law.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention, unless presented otherwise.

Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account, if they have become known before preparation of the financial statements.

Financial instruments

Financial instruments include both primary financial instruments, such as receivables, liabilities and financial derivatives. Reference is made to the recognition per balance sheet item for the principles of primary financial instruments.

Foreign currency

The functional currency of the Company is the prevailing currency in the economic environment, in which the Company carries out most of its activities.

The financial statements are denominated in USD, this is both the functional currency and presentation currency of the Company.

Group companies

Foreign group companies and associated companies outside the Netherlands qualify as carrying on business operations in a foreign country, with a functional currency different from that of the Company. For the translation of the financial statements of these business operations in a foreign country the balance sheet items are translated at the exchange rate as at balance sheet date and the profit and loss account items at the average rate. The translation differences that arise are directly deducted from or added to shareholders' equity.

3. Principles of valuation of assets and liabilities

FIXED ASSETS

Financial fixed assets

Participations

Participations over which no significant influence can be exercised are valued at historical cost. The dividend income in the profit and loss account represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

Participations over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation, is recognized in the profit and loss account as share in the results of participations.

If the valuation of a participation based on the net asset value is negative, it will be stated at USD 1. If, and insofar the Company can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognized for this.

In the event of an impairment loss, valuation takes place at the realizable value; an impairment is recognized and charged to the profit and loss account.

Impairment of fixed assets

On each balance sheet date, the Company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the realizable value of the asset is determined. If it is not possible to determine the realizable value of the individual asset, the realizable value of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the realizable value; the realizable value is the higher of the fair value less cost to sell and the value in use. An impairment loss is directly recognized in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realizable value can be based on a binding sale agreement, an active market value, or an estimate of the future net discounted cash flows in the event of continued use of the asset / cash-generating unit.

When it is established that an impairment, that was recognized in the past, no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. Reversed impairment is recognized via profit and loss account.

CURRENT ASSETS

Receivables

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Cash and cash equivalents

Cash and cash equivalents represent cash in hand, cash at bank accounts and deposits with terms of less than twelve months. Overdrafts at banks are recognized as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Current liabilities

On initial recognition, current liabilities are recognized at fair value. After initial recognition, current liabilities are recognized at the amortized cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

4. Principles for the determination of the result

General

The results on transactions are recognised in the year in which they are realised.

Costs

Costs are determined on a historical basis and allocated to the financial year to which they relate.

Dividends

Dividends to be received from participations and securities not carried at net asset value are recognized as soon as the

Company has acquired the right to them.

Financial income and expenses

Interest income and expenses are recognized on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. When accounting for interest expenses, the recognized transaction expenses for loans received are taken into consideration.

Taxation on result

Taxation on result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Also changes are taken into account, which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Notes to the balance sheet as at 31 March 2025

ASSETS

Financial fixed assets	**31 Mar 2025**
	USD
A summary of the financial fixed assets is included below:	
Participation	
PT. TVS Motor Company Indonesia	3,754,748
	3,754,748

	Place, Country	**Valuation method**	**Share in issued capital**
			%
PT. TVS Motor Company Indonesia	Kuningan, Indonesia	cost price	17.09

EQUITY AND LIABILITIES

Equity

Paid up share capital

The issued and fully paid share capital of the company amounts to EUR 22,530,100, divided into 225,301 ordinary shares of EUR 100.

At year-end, share capital is converted to USD at spot rate 1.0815 (2023/2024: 1.0811). The conversion result for the year 2024/2025 of (USD 9,012) is carried directly to other reserves.

Other reserves	**31 Mar 2025**
	USD
Balance as at 31 March 2024	(20,792,853)
Share capital revaluation	(9,012)
Loss for the year	(182,471)
Movement	(191,483)
Balance as at 31 March 2025	**(20,984,336)**

Proposed appropriation of result for the financial year 2024/2025

The board of directors proposes that the result for the financial year 2024/2025 amounting to a loss of USD 182,471 should be transferred to the other reserves. This proposal has been incorporated in the financial statements.

Contingent assets and liabilities

The Company has no contingent assets and liabilities that are not already included in the financial statements.

Notes to the balance sheet as at 31 March 2025

Current liabilities	**31 Mar 2025**	**31 Mar 2024**
	USD	**USD**
Trade payables	6,477	26,067
Other payables	1,819	6,000
Other payables group	77,598	-
Bank overdraft	1,838	-
Loan payable to group company	281,113	176,837
Interest payable to group company	15,066	5,832
	383,911	214,736

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment		
	Not due	<1 Yr.	Total
(i) MSME			
(ii) Others		6,477	6,477
(iii) Disputed dues – MSME			
(iv) Disputed dues – Others			
		6 ,477	6,477
Accrued Expense			1,819
Total Trade payable		6,477	8,296

LOANS AND ADVANCES TO SPECIFIED PERSONS

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	281,113	100%

Loan payable to group company

The amounts payable to group company TVS Motor (Singapore) Pte Limited as at 31 March 2025 is made up of three loan facility agreements.

(a) The first loan facility agreement is an unsecured loan, payable on demand with maturity granted for a period of one year and may be automatically be renewed for subsequent periods of one year, unless the lender or the borrower has given a one month notice to the other to terminate the loan and to repay the sum extended under the loan. The interest rate is fixed at 3.25%. As at 31 March 2025, the outstanding loan balance is USD 81,113 (EUR 75,000) and the interest due is USD 6,356 (EUR 5,877).

(b) The second loan facility agreement is an unsecured loan, payable on demand with maturity granted for a period of one year and may be automatically be renewed for subsequent periods of one year, unless the lender or the borrower has given a one month notice to the other to terminate the loan and to repay the sum extended under the loan. The interest rate is fixed at 3.65%. As at 31 March 2025, the outstanding loan balance is USD 100,000 and the interest due is USD 5,800.

(c) The third loan facility agreement is an unsecured loan, payable on demand with maturity granted for a period of one year and may be automatically be renewed for subsequent periods of one year, unless the lender or the borrower has given a one month notice to the other to terminate the loan and to repay the sum extended under the loan. The interest rate is fixed at 3.65%. As at 31 March 2025, the outstanding loan balance is USD 100,000 and the interest due is USD 2,910.

Contingent assets and liabilities

The Company has no contingent assets and liabilities that are not already included in the financial statements.

Notes to the profit and loss account for the period 1 April 2024 up to and including 31 March 2025

	31 Mar 2025	31 Mar 2024
	USD	USD
The Finance expenses consists of:		
Interest expenses and similar expenses		
Interest expense on loan	9,221	4,881
	9 ,221	**4,881**
General expenses		
Management fee	13,668	13,833
Domiciliation fee	2,633	2,033
Legal fees	4,693	1,519
Administrative fees	132,866	95,686
Bank charges	6,640	6,737
Tax advisory fees	(2,074)	2,669
Other expenses	9,923	-
	168,349	**122,477**
Result on foreign currency translations		
Currency exchange loss	4,901	696
	4,901	**696**

EBIT

The Earnings Before Interest and Taxation (EBIT) for the current financial year amounts to a loss of USD 168,349 (2024: loss of USD 122,477).

Average number of employees

The Company had no employees during the year under review (2023/2024: none).

Board of directors

K.N. Radhakrishnan	A. Bhugra	IQ EQ Management (Netherlands) B.V.
Director	Director	Director

Amsterdam, 22 April 2025

RE-STATED ACCOUNTS OF
TVS MOTOR COMPANY (EUROPE) B.V.

TVS MOTOR COMPANY (EUROPE) B.V.

BALANCE SHEET AS AT 31 MARCH 2025

	Notes	USD in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Non-current investments	1	3.75	19.51
		3.75	19.51
Current assets			
Financial assets			
Cash and cash equivalents	2	-	0.01
Other current assets	3	0.01	0.09
		0.01	0.10
Total Assets		3.77	19.61
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	24.37	99.24
Other equity	5	(20.98)	(82.92)
		3.39	16.32
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	6	0.28	2.40
		0.28	2.40
Liabilities			
Current liabilities			
Financial liabilities			
(i) Borrowings		-	0.02
(ii) Trade payables	7		
a. Total outstanding dues of micro and small enterprises		0.11	0.87
b. Total outstanding dues of other than (ii) (a) above			
		0.11	0.89
Total liabilities		0.39	3.29
Total equity and liabilities		3.77	19.61

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

		Notes	USD in Mn.	Rupees in crores
I	Revenue from operations		-	-
II	Other income		-	-
III	Total Income (I +II)		-	-
IV	Expenses:			
	Finance costs	8	0.01	0.08
	Other expenses	9	0.17	1.47
			0.18	1.55
V	Profit before exceptional items (III - IV)		(0.18)	(1.55)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(0.18)	(1.55)
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(0.18)	(1.55)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	0.06
			-	0.06
XI	Total Comprehensive Income (IX + X)		(0.18)	(1.49)
XII	Earnings per equity share (Face value of EUR 100/- each)			
	Basic & Diluted earnings per share (in USD / in rupees)		(0.80)	(68.80)

Notes on Accounts

		As at 31-03-2025	
		USD in Mn.	Rupees in crores
1	NON-CURRENT INVESTMENTS		
	Investment in Equity instruments		
	28,70,000 fully paidup equity shares of PT.TVS Motor Company Indonesia (face value of IDR 97,400 each)	3.75	19.51
		3.75	19.51
2	CASH AND CASH EQUIVALENTS		
	Balances with banks in current accounts	-	0.01
		-	0.01
3	OTHER CURRENT ASSETS		
	Prepaid expenses	0.01	0.09
		0.01	0.09
4	EQUITY SHARE CAPITAL		
	Authorised, issued, subscribed and fully paid up:		
	Authorised:		
	500,000 Ordinary shares of Euro 100/- each	66.78	311.64
	Issued, subscribed and fully paid up:		
	225,301 Ordinary shares of Euro 100/- each	24.37	99.24
		24.37	99.24
5	OTHER EQUITY		
	Retained earnings	(20.98)	(94.67)
	Foreign currency translation reserve	-	11.75
		(20.98)	(82.92)
6	FINANCIAL LIABILITIES - BORROWINGS (NON CURRENT)		
	Loan from Holding	0.28	2.40
		0.28	2.40
7	TRADE PAYABLES		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	0.11	0.87
		0.11	0.87

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

		For the YE 31-03-2025	
		USD in Mn.	Rupees in crores
8	FINANCE COST		
	Interest expenses	0.01	0.08
		0.01	0.08
9	OTHER EXPENSES		
	(a) Legal fees	-	0.04
	(b) Bank charges	0.01	0.06
	(c) Domiciliation and management fees	0.02	0.14
	(d) Administrative expenses	0.13	1.11
	(e) Foreign Exchange Loss	-	0.04
	(f) Miscellaneous expenses	0.01	0.08
		0.17	1.47

Independent Auditors' Report

No. 00363/2.1265/AU.1/04/0565-1/1/V/2024

The Stockholders, Board of Commissioners and Director
PT. TVS Motor Company Indonesia

Opinion

We have audited the financial statements of PT TVS Motor Company Indonesia (the "Company"), which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and its financial performance and its cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 rea list ic alternativc but to do so.

Those charged with governance are responsible for overseeing t he Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 pert of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to t hose 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 :he audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

LIANA RAMON XENIA & REKAN

Fanny Alimin, CPA
Public Accountant License No. AP.1687

April 29, 2025

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025

	Notes	March 31, 2025	March 31, 2024
		Rp	Rp
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	69,204,667,401	122,805,247,441
Trade accounts receivable	6		
Related party	26	88,461,944,485	601,435,870
Third parties - net		821,414,110,487	951,857,845,652
Other accounts receivable			
Related parties	7,26	27,717,610,040	21,524,251,401
Third parties		8,206,862,805	2,203,967,807
Inventories - net	8	369,923,774,493	427,182,758,965
Prepaid taxes	9	270,188,472,470	138,204,755,590
Advances to suppliers	10	26,385,376,577	16,460,134,483
Other current assets		6,966,146,199	6,445,104,008
Total Current Assets		1,688,468,964,957	1,687,285,501,217
NON-CURRENT ASSETS			
Deferred tax assets - net	25	7,142,701,539	6,946,593,318
Right-of-use assets - net		15,450,525,273	2,751,973,385
Property, plant, and equipment - net	11	473,080,596,483	419,446,187,096
Security deposits		2,030,009,832	1,828,506,460
Total Non-current Assets		497,703,833,127	430,973,260,259
TOTAL ASSETS		2,186,172,798,084	2,118,258,761,476

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2025 *(Continued)*

	Notes	March 31, 2025	March 31, 2024
		Rp	Rp
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Bank loans	12	642,130,207,250	562,271,485,109
Trade accounts payable	13		
Related party	26	593,316,664,180	742,904,137,148
Third parties		93,283,806,440	67,276,232,448
Other accounts payable	14		
Related party	26	25,055,056,963	20,446,460,651
Third parties		16,462,368,927	10,171,715,364
Taxes payable	15	4,662,979,740	1,470,870,946
Accrued expenses	16	123,007,440,428	44,932,713,072
Loan from shareholder	17,26	-	31,706,000,000
Deposit from customers		1,212,342,344	2,206,478,442
Contract liabilities	22	17,478,722,524	17,702,110,039
Current maturity of long-term			
lease liabilities		5,777,208,700	2,167,979,401
Total Current Liabilities		1,522,386,797,496	1,503,256,182,620
NON-CURRENT LIABILITIES			
Long-term lease liabilities - net of current maturity		5,571,096,958	341,009,586
Post-employment benefits obligation	18	26,921,759,000	23,205,091,000
Total Non-current Liabilities		32,492,855,958	23,546,100,586
TOTAL LIABILITIES		1,554,879,653,454	1,526,802,283,206
EQUITY			
Capital stock - Rp 97,400 (USD 10) par value per share			
Authorized - 17,500,000 shares			
Subscribed and paid-up - 16,791,187 shares	19	1,635,461,613,800	1,635,461,613,800
Foreign exchange rate difference on paid-in capital	20	216,192,517,840	216,192,517,840
Revaluation surplus	21	276,495,214,244	276,495,214,244
Other comprehensive income		12,303,776,600	11,683,955,060
Accumulated deficit		(1,509,159,977,854)	(1,548,376,822,674)
TOTAL EQUITY		631,293,144,630	591,456,478,270
TOTAL LIABILITIES AND EQUITY		2,186,172,798,084	2,118,258,761,476

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended March 31, 2025

	Notes	2025	2024
		Rp	Rp
NET SALES	22,26	1,730,960,907,099	1,514,042,865,722
COST OF GOODS SOLD	23,26	(1,473,755,914,839)	(1,313,882,462,884)
GROSS PROFIT		257,204,992,260	200,160,402,838
Marketing expenses	24	(27,753,778,097)	(35,259,145,950)
General and administrative expenses	24,26	(126,763,091,472)	(62,626,547,289)
Finance cost		(42,429,961,917)	(45,616,647,170)
Loss on foreign exchange - net		(16,156,016,201)	(11,306,423,525)
Interest income		205,721,942	306,830,407
Loss on sale of property, plant and equipment	11	(28,250,255)	(82,140,302)
Other (gains) losses - net		(1,585,761,015)	1,690,530,545
PROFIT BEFORE TAX		42,693,855,245	47,266,859,554
INCOME TAX EXPENSE	25	(3,477,010,425)	(20,216,556,655)
PROFIT FOR THE YEAR		39,216,844,820	27,050,302,899
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefits obligation	18	794,643,000	1,102,279,000
Related tax expense	25	(174,821,460)	(242,501,380)
Total other comprehensive income, net of tax		619,821,540	859,777,620
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		39,836,666,360	27,910,080,519

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

				Other comprehensive income		
	Capital stock	Foreign exchange rate difference on paid-in capital	Revaluation surplus	Remeasurement of defined benefits obligation	Accumulated deficit	Total equity
	Rp	Rp	Rp	Rp	Rp	Rp
Balance as of April 1, 2023	1,635,461,613,800	216,192,517,840	276,495,214,244	10,824,177,440	(1,575,427,125,573)	563,546,397,751
Profit for the year	-	-	-	-	27,050,302,899	27,050,302,899
Other comprehensive income,net of tax	-	-	-	859,777,620	-	859,777,620
Balance as of March 31, 2024	1,635,461,613,800	216,192,517,840	276,495,214,244	11,683,955,060	(1,548,376,822,674)	591,456,478,270
Profit for the year	-	-	-	-	39,216,844,820	39,216,844,820
Other comprehensive income, net of tax	-	-	-	619,821,540	-	619,821,540
Balance as of March 31, 2025	1,635,461,613,800	216,192,517,840	276,495,214,244	12,303,776,600	(1,509,159,977,854)	631,293,144,630

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

	Note	2025	2024
		Rp	Rp
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax per statement of profit or loss and other comprehensive income		42,693,855,245	47,266,859,554
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets		19,758,677,423	17,274,511,078
Loss on sale and disposal of property, plant and equipment	11	28,250,255	82,140,302
Provision for post-employment benefits	18	5,273,951,000	5,013,620,000
Reversal of expected credit losses	6	-	(4,500,000,000)
Allowance for inventory obsolescence	8	10,377,361,782	2,220,353,633
Interest and finance charges		37,434,573,623	40,135,735,607
Interest income		(205,721,942)	(306,830,407)
Adjustment from tax assessment letter		-	575,490,363
Net unrealized loss on foreign exchange		7,350,480,799	21,282,190,412
Operating cash flows before changes in working capital		122,711,428,185	129,044,070,542
Changes in working capital:			
Trade accounts receivable		50,554,328,400	(98,392,908,229)
Other accounts receivable		(13,005,464,770)	(12,713,580,944)
Inventories		46,881,622,690	(78,252,968,822)
Prepaid taxes		(131,983,716,880)	8,759,930,730
Advances to suppliers		(9,925,242,094)	(110,729,075)
Other current assets		(521,042,191)	223,608,217
Trade accounts payable		(107,668,811,866)	95,512,488,065
Other accounts payable		10,004,824,142	701,295,382
Taxes payable		275,673,231	503,579,554
Accrued expenses		73,760,945,901	(11,093,855,258)
Deposit from customers		(994,136,097)	(419,087,912)
Contract liabilities		(223,387,515)	10,186,178,506
Net cash generated from operations		39,867,021,136	43,948,020,755
Employee benefits paid	18	(762,640,000)	(997,171,000)
Income tax paid	25	(931,504,543)	(869,243,347)
Proceeds from tax refund		-	987,307,000
Net Cash Provided by Operating Activities		38,172,876,593	43,068,913,408
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	11,31	(69,999,433,378)	(30,121,870,429)
Proceeds from sale of property, plant and equipment	11	-	25,225,225
Decrease in security deposits		(182,939,704)	(360,774,560)
Interest received		205,721,942	306,830,407
Net Cash Used in Investing Activities		(69,976,651,140)	(30,150,589,357)

See accompanying notes to financial statements which are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025 (Continued)

	Note	2025	2024
		Rp	Rp
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of bank loans		(3,281,623,370,301)	(2,188,413,474,762)
Payments of loan from shareholders		(31,706,000,000)	-
Payments of lease liabilities		(7,218,904,000)	(2,286,212,456)
Interest and finance charges paid		(37,136,569,328)	(40,135,735,607)
Proceeds from bank loans		3,335,888,038,136	2,230,896,656,318
Proceeds from loan from shareholder		-	31,376,000,000
Net Cash (Used in) Provided by Financing Activities		(21,796,805,493)	31,437,233,493
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(53,600,580,040)	44,355,557,544
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		122,805,247,441	78,449,689,897
CASH AND CASH EQUIVALENTS AT END OF YEAR		69,204,667,401	122,805,247,441

See accompanying notes to financial statements which are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

March 31, 2025 and for the year then ended

1. GENERAL

PT TVS Motor Company Indonesia (the "Company") was established within the framework of the Foreign Capital Investment Law No. 1 Year 1967 as amended by Law No. 11 Year 1970 based on Notarial Deed No. 21 of Siti Rayhana, S.H., dated August 8, 2005, substitute of Bandoro Raden Ayu Mahyastoeti Notonagoro, S.H., notary in Jakarta. The Deed of Establishment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decision Letter No. C-24361 HT.01.01.TH.2005 dated September 5, 2005. The Company's Articles of Association have been amended several times, with the most recent change in the Articles of Association by Notarial Deed No. 54 dated May 31, 2024 of Susanna Tanu, S.H., notary in Jakarta, related to the expand the Company's business scope to also include the manufacturing and distribution of batteries for electric motor vehicles, in addition to carrying out its existing business activities, and to align with the Indonesian Standard Industrial Classification (Klasifikasi Baku Lapangan Usaha Indonesia - KBLI). The change was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0032140.AH.01.02.Tahun 2024 dated June 3, 2024.

In accordance with Article 3 of the Company's Articles of Association, the scope of its activities includes production of motorcycles, motorcycle component parts and accessories, three wheelers and its components and batteries for electric motor vehicles. The Company started its commercial operations on April 29, 2007.

The Company's domicile is in Jakarta and its head office is located at Wirausaha Building, 3rd Floor, Jl. HR. Rasuna Said, Kav. C5 Kuningan, Jakarta. As of March 31, 2025, the Company has 557 employees (2024: 492 employees) (unaudited).

The Company's management at March 31, 2025 and 2024 consists of the following:

		March 31, 2025	March 31, 2024
President Commissioner	:	Kunnath Narayanan Radhakrishnan	Kunnath Narayanan Radhakrishnan
Commissioners	:	Ramaswami Anandakrishnan	Ramaswami Anandakrishnan
		Parthasarathi Gopalan	Parthasarathi Gopalan
President Director	:	-	Jeyanandan Thangarajan
Director	:	Rajesh Ramani	Rajesh Ramani

2. ADOPTION OF NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (PSAK) AND INTERPRETATIONS OF PSAK (ISAK)

a. Amendments/Improvements to Standards Effective in the Current Year

Beginning January 1, 2024, references to the individual PSAKs and ISAKs have been changed as published by Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia ("DSAK - IAI").

In the current year, the Company has applied a number of amendments/improvements to PSAK that are relevant to its operations and effective for accounting period beginning on or after January 1, 2024. The adoption of these new/revised PSAKs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported in these financial statements.

b. Standard and Amendments/Improvements to Standards Issued not yet Adopted

At the date of authorization of these financial statements, the following standard, interpretation, and amendments to PSAKs relevant to the Company were issued but not effective, with early application permitted:

Effective for periods beginning on or after January 1, 2025

- PSAK 221 (amendment) The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

Effective for periods beginning on or after January 1, 2026

- Amendment to PSAK 109 Financial Instruments and Amendment to PSAK 107 Financial Instruments: Disclosure on Classification and Measurement of Financial Instruments
- Annual Improvement 2024 SAK Indonesia

As of the issuance date of the financial statements, the effects of adopting these standards, amendments and interpretations on the financial statements are not known nor reasonably estimable by management.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indonesian Financial Accounting Standards.

b. Basis of Presentation

The financial statements have been prepared in accordance with the historical cost basis, except for land that are measured at revalued amounts or fair values at the end of each reporting period, as disclosed in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The statement of cash flows is prepared using the indirect method with classifications of cash flows into operating, investing, and financing activities.

The Director have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

c. Foreign Currency Transactions and Balances

The financial statements of the Company are measured and presented in Indonesian Rupiah which is also the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise.

d. Transactions with Related Parties

A related party is a person or entity that is related to the Company (the reporting entity):

a. A person or a close member of that person's family is related to the reporting entity if that person:

   i. has control or joint control over the reporting entity;

   ii. has significant influence over the reporting entity; or

   iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. An entity is related to the reporting entity if any of the following conditions applies:

   i. The entity, and the reporting entity are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).

   ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

   iii. Both entities are joint ventures of the same third party.

   iv. One entity is a joint venture of a third entity, and the other entity is an associate of the third entity.

   v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity, or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

   vi. The entity is controlled or jointly controlled by a person identified in (a).

   vii. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

   viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Significant transactions with related parties are disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended *(Continued)*

e. Financial Instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipt (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated creditimpaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest is recognized using the effective interest method for debt instruments measured subsequently at amortized cost, except for short term balances when the effect of discounting is immaterial.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically for financial assets measured at amortized cost, exchange differences are recognized in profit or loss in the "Gain (loss) on foreign exchange - net" line item.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses ("ECL") on financial assets measured at amortized cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime ECL for trade accounts receivable. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 120 days past due unless the Company has reasonable and supportable information that demonstrates otherwise.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Company considers that default has occurred when a financial asset is more than 365 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade accounts receivable, when the amounts are over 360 days past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size, and industry of debtors;
- External credit ratings where available.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities, including trade and other payables, accrued expenses, loan from shareholder and deposit from customers are initially measured at fair value and subsequently measured at amortized cost, using the effective interest method, except for short-term balances when the effect of discounting is immaterial.

Bank loans

Interest-bearing bank loans are initially measured at fair value and subsequently measured at amortized cost, using the effective interest method. Interest expense calculated using the effective interest method is recognized over the term of the borrowing in accordance with the Company's accounting policy for borrowing costs.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

f. Cash and Cash Equivalents

For cash flow presentation purposes, cash and cash equivalents consist of cash on hand and in banks with maturities of three months or less from the date of placement.

g. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost is determined using the weighted average method. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

h. Property, Plant and Equipment

Property, plant, and equipment, other than land, are carried at cost, less accumulated depreciation, and any accumulated impairment losses.

Depreciation is recognized so as to write off the cost of assets less residual values using the straight-line method based on the estimated useful lives of the assets as follows:

	Years
Buildings	20
Machinery and tools	4 - 10
Office equipment and furniture	4
Vehicles	5

Moulds and dies are depreciated based on units of production of 125,000 - 150,000 units in 2025 and 2024.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Land stated in the statement of financial position at its revalued amount, being the fair value at the date of the revaluation. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting date.

Any revaluation increase arising on the revaluation of land is credited in other comprehensive income and accumulated in equity and presented as revaluation surplus, under other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit of loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation land is charged in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

The cost of maintenance and repairs is charged to profit or loss as incurred. Other costs incurred subsequently to add to, replace part of, or service an item of property, plant, and equipment, are recognized as asset if, and only if, it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

i. Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of a non-financial asset (cash generating unit) is less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j. Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at the inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of the exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurements of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The costs are included in the related right-of-use asset unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying assets. If a lease transfers ownership of the underlying assets or the cost of the rightof- use assets reflects that of the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying assets. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

Variable rents that do not depend on an index or rate are not included in the measurements of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occur and are included in the line 'Other gains and losses - net' in the statement of profit or loss and other comprehensive income.

As a practical expedient, PSAK 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

k. After Sales Warranty

The Company makes a provision to cover possible cost on after sales warranty granted to customers. Such provision is recognized based on certain percentage of sales by comparing the actual claim with sales.

l. Revenue Recognition

The Company recognizes revenue from sale of goods. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product to a customer. The Company has generally concluded that it is the principal in its revenue arrangements and records revenue on a gross basis because it typically controls the goods or services before transferring them to the customer.

Revenue is recognized at the point in time when service is delivered and control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points, shipping, and handling).

m. Employee Benefits

The Company established defined benefit pension plans covering all the local permanent and contract employees in accordance with Law No. 6/2023 and Government Regulation No. 35/2021.

Defined benefit plan

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected as a separate item under other comprehensive income in equity and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Interest expense
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss.

Termination

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognized any related restructuring costs.

n. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of their assets and liabilities.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside of profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside of profit or loss.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by

the same taxation authority on the same taxable entity when there is an intention to settle its current tax assets and current tax liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 3, the Director are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments in Applying Accounting Policies

In the process of applying the accounting policies described in Note 3, management has not made any critical judgement that has significant impact on the amounts recognized in the financial statements, apart from those involving estimates, which are dealt with below.

Key Sources of Estimation Uncertainty

The key assumptions concerning future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Calculation of Loss Allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

The carrying amounts of receivables are disclosed in Note 6.

Allowance for Decline in Value of Inventories

The Company provides allowance for decline in value of inventories based on estimated future usage of such inventories. While it is believed that the assumptions used in the estimation of the allowance for decline in value of inventories are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of the allowance for decline in value of inventories, which ultimately will impact the result of the Company's operations. The carrying amount of inventories is disclosed in Note 8.

Fair Value of Land

Effective April 1, 2013, the Company's land is measured at fair value. In estimating the fair value of land, management engages third party qualified appraisal to perform the valuation. Management works closely with the qualified external appraisal to establish the appropriate valuation techniques and inputs. Any changes in the inputs and valuation techniques may have a material effect in the financial statements.

The carrying value of land is disclosed in Note 11.

5. CASH AND CASH EQUIVALENTS

	March 31, 2025	March 31, 2024
	Rp	Rp
Cash on hand		
Rupiah	49,930,90 8,054,900	
US Dollar	139,438,894	90,457,377
Cash in banks		
Rupiah	16,031,822,936	44,711,716,142
US Dollar	50,293,856,881	77,995,019,022
Euro	1,689,617,790	-
Time deposits		
Rupiah	1,000,000,000	-
Total	69,204,667,401	122,805,247,441
Annual interest rates on time deposits	2.50%	-

All cash in banks and time deposits are placed with third parties and not used as collateral.

6. TRADE ACCOUNTS RECEIVABLE

	March 31, 2025	March 31, 2024
	Rp	Rp
a. By debtor		
Related parties (Note 26)		
TVS Company Philippines Branch	86,968,561,680	-
TVS Motor Company Limited, India	1,493,382,805	601,435,870
Subtotal	88,461,944,485	601,435,870
Third parties	857,251,707,310	987,695,442,475
Allowance for credit losses	(35,837,596,823)	(35,837,596,823)
Net	821,414,110,487	951,857,845,652
Total	909,876,054,972	952,459,281,522
b. By currency		
US Dollar	930,533,529,297	972,111,521,073
Rupiah	15,180,122,498	16,185,357,272
Subtotal	945,713,651,795	988,296,878,345
Allowance for credit losses	(35,837,596,823)	(35,837,596,823)
Total	909,876,054,972	952,459,281,522

As at April 1, 2023, trade receivables with customers amounted to Rp 849,566,373,293 (net of allowance for credit losses of Rp 40,337,596,823). The average credit period on sale of goods are 30 to 150 days in 2025 and 2024. No interest is charged on the outstanding balance.

Allowance for credit losses for trade accounts receivable has been measured at an amount equal to lifetime ECL. The ECL on trade accounts receivable is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table details the risk profile of trade accounts receivable from contracts with customers based on the Company's provision matrix.

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended *(Continued)*

ECL on trade accounts receivable using provision matrix - assessed collectively

	March 31, 2025							
		Past due						
	Not past due	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	121 - 180 days	> 180 days	Total
	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Expected credit loss rate on collective assessment	1.20%	1.97%	4.42%	5.07%	6.68%	7.74%	8.80%	
Estimated total gross carrying amount at default	236,771,522,601	132,631,470,524	10,072,262,688	2,034,964,179	903,298,815	119,525,760	5,467,366,772	388,000,411,339
Lifetime ECL	(2,156,524,072)	(1,992,036,092)	(338,938,338)	(78,570,233)	(45,958,388)	(7,051,283)	(366,863,573)	(4,985,941,979)
Total								383,014,469,360

	March 31, 2024							
		Past due						
	Not past due	< 30 days	31 - 60 days	61 - 90 days	91 - 120 days	121 - 180 days	> 180 days	Total
	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Expected credit loss rate on collective assessment	2.94%	4.41%	6.02%	7.53%	8.33%	9.01%	10.53%	
Estimated total gross carrying amount at default	82,569,957,109	57,817,952,397	8,846,862,993	1,110,270,008	2,502,987,606	720,048,163	6,451,870,647	160,019,948,923
Lifetime ECL	(2,423,736,516)	(2,549,163,983)	(532,680,997)	(83,638,211)	(208,536,111)	(64,846,571)	(679,451,665)	(6,542,054,054)
Total								153,477,894,869

The movements in allowance for credit losses are as follows:

	March 31, 2025		
	Lifetime ECL - Not credit impaired		
	Assessed collectively	Assessed individually	Total
	Rp	Rp	Rp
Balance at beginning of year	6,542,054,054	29,295,542,769	35,837,596,823
Loss reversal recognized in profit or loss during the year (Note 23)	(1,556,112,075)	1,556,112,075	-
Balance at end of year	4,985,941,979	30,851,654,844	35,837,596,823

	March 31, 2024		
	Lifetime ECL - Not credit impaired		
	Assessed collectively	Assessed individually	Total
	Rp	Rp	Rp
Balance at beginning of year	7,010,922,560	33,326,674,263	40,337,596,823
Loss (reversal) recognized in profit or loss during the year (Note 23)	(468,868,506)	(4,031,131,494)	(4,500,000,000)
Balance at end of year	6,542,054,054	29,295,542,769	35,837,596,823

7. OTHER ACCOUNTS RECEIVABLE FROM A RELATED PARTY

Other accounts receivable from a related party represents service fees and claim for reimbursements in 2025 and 2024 from TVS Motor Company Limited, India (Note 26).

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended*(Continued)*

8. INVENTORIES

	March 31, 2025	March 31, 2025
	Rp	Rp
Finished goods	48,350,270,297	37,072,121,183
Materials, components and spare parts	344,743,985,879	405,707,247,221
Others	1,930,517,855	1,460,847,304
Total	395,204,774,031	444,240,215,708
Allowance for inventory obsolescence	(25,100,999,538)	(17,057,456,743)
Net	369,923,774,493	427,182,758,965

The change in allowance for inventory obsolescence is as follows:

	March 31, 2025	March 31, 2025
	Rp	Rp
Balance at beginning of year	17,057, 456,743	17,062,304,560
Provision during the year	10,377,361,782	2,220,353,633
Write-off during the year	(2,333,818,987)	(2,225,201,450)
Balance at end of year	25,100,999,538	17,057,456,743

Management believes that allowance for inventory obsolescence is adequate.

9. PREPAID TAXES

	March 31, 2025	March 31, 2024
	Rp	Rp
Prepaid value added tax	262,564,660,501	130,427,038,286
Claim for tax refund		
Income taxes - Article 28A (Note 25)		
Fiscal Year 2023 (March 2024)	869,243,347	869,243,347
Fiscal Year 2022 (March 2023)	1,628,688,893	1,628,688,893
Fiscal Year 2021 (March 2022)	5,125,879,729	5,125,879,729
Value added tax		
Fiscal Year 2022 (March 2023)	-	153,905,335
Total	270,188,472,470	138,204,755,590

Value added tax - Fiscal Year 2022 (March 2023)
The Company received a total of Rp 138,501,575,875, with partial payments in October 2023, November 2023, February 2024, and March 2024, out of its total claim of Rp 139,340,986,353. The remaining Rp 153,684,542 was received in April 2024 and a difference of Rp 685,725,936 was recorded as part of 'Other gains and losses - net' in profit or loss in 2024.
Corporate income tax - Fiscal Year 2021 (March 2022)
On March 21, 2025, the Directorate General of Taxes (“DGT”) issued an Overpayment Tax Assessment Letter (“SKPLB”) of corporate income tax for fiscal year 2021, stating that the Company has an overpayment of Rp 5,117,400,727, instead of overpayment of Rp 5,125,879,729. As of the issuance date of these financial statements, the Company has not yet received the refund from the DGT and is still in the process of evaluating the further action.
Withholding tax - Fiscal Year 2021 (March 2022)
On March 21, 2025, the DGT issued an Underpayment Tax Assessment Letter (“SKPKB”) of withholding taxes article 21, 23, 26, 4(2) for fiscal year 2021, stating that the Company has an underpayment totaling of Rp 1,850,119,690 with the total of Rp 693,534,000 will be submitted as an objection to the DGT and the remaining of Rp 1,156,585,690 recorded by the Company as expense. As of the issuance date of these financial statements, the Company has not yet settled the underpayment with the DGT.

10. ADVANCES TO SUPPLIERS

This account represents advances made by the Company to its suppliers for the purchase of raw materials, tools, and other components.

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended *(Continued)*

11. PROPERTY, PLANT AND EQUIPMENT

	April 1, 2024	Additions	Deductions	March 31 2025
	Rp	Rp	Rp	Rp
Revalued amount:				
Land	304,162,000,000	-	-	304,162,000,000
Cost:				
Buildings	102,705,148,353	4,755,064,253	-	107,460,212,606
Machinery and tools	124,294,197,691	49,187,376,685	(1,306,079,304)	172,175,495,072
Moulds and dies	118,626,335,959	3,648,343,464	-	122,274,679,423
Office equipment and furnitures	15,032,215,922	3,174,705,962	(577,919,048)	17,629,002,836
Vehicles	1,490,099,941	63,062,829	(32,112,238)	1,521,050,532
Construction in progress	-	9,531,119,385	-	9,531,119,385
Total	666,309,997,866	70,359,672,578	(1,916,110,590)	734,753,559,854
Accumulated depreciation:				
Buildings	69,794,879,542	5,206,630,769	-	75,001,510,311
Machinery and tools	106,591,249,229	4,938,217,024	(1,306,079,304)	110,223,386,949
Moulds and dies	56,806,334,727	5,105,224,288	-	61,911,559,015
Office equipment and furnitures	12,366,005,268	1,399,212,765	(566,704,995)	13,198,513,038
Vehicles	1,305,342,004	47,728,090	(15,076,036)	1,337,994,058
Total	246,863,810,770	16,697,012,936	(1,887,860,335)	261,672,963,371
Net carrying value	419,446,187,096			473,080,596,483

	April 1, 2023	Additions	Deductions	March 31, 2024
	Rp	Rp	Rp	Rp
Revalued amount:				
Land	304,162,000,000	-	-	304,162,000,000
Cost:				
Buildings	91,256,118,760	11,449,029,593	-	102,705,148,353
Machinery and tools 120,890,759,492	3,817,263,199	(413,825,000)	124,294,197,691	
Moulds and dies	105,166,281,492	13,460,054,467	118,626,335,959	
Office equipment and furnitures	13,803,032,057	1,395,523,170	(166,339,305)	15,032,215,922
Vehicles	1,516,367,941	-	(26,268.000)	1,490,099,941
Total	636,794.559,742	30,121,870,429	(606,432,305)	666,309,997,866
Accumulated depreciation:				
Buildings	65,073,862,029	4,721,017,513	-	69,794,879,542
Machinery and tools	103,690,335,433	3,207,373,269	(306,459,473)	106.591.249.229
Moulds and dies	50,338,060,913	6,468,273,814	-	56,806,334,727
Office equipment and furnitures	11,352,762,680	1,179,581,893	(166,339,305)	12,366,005,268
Vehicles	1,263,688,187	67,921,817	(26,268,000)	1,305,342,004
Total	231,718,709,242	15,644,168,306	(499,066,778)	246,863,810,770
Net carrying value	405,075,850,500			419,446,187,096

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended *(Continued)*

Depreciation expense was allocated to the following:

	2025	2024
	Rp	Rp
Manufacturing cost	15,250,072,081	14,396,664,597
General and administrative expenses (Note 24)	1,446,940,855	1,247,503,709
Total	16,697,012,936	15,644,168,306

The Company owns land located in Karawang, Ciampel - Kutanegara, Jawa Barat, with a total area of 126,541 square meters as of March 31, 2025 and 2024, with Building Use Rights (HGB) expiring on November 11, 2028. Management believes that there will be no difficulty in the extension of the land rights since the land were acquired legally and supported by sufficient evidence of ownership.

The fair value of land was obtained from independent sources and was determined based on market approach that considers current market value from identical or comparable assets transaction and is classified as level two. Level two fair value measurements are those derived from inputs that are observable for the asset either directly or indirectly.

Sale of property, plant and equipment are as follows:

	2025	2024
	Rp	Rp
Proceeds from sale of property, plant and equipment	-	25,225,225
Net carrying value	(28,250,255)	(107,365,527)
Loss on sale of property, plant and equipment	(28,250,255)	(82,140,302)

12. BANK LOANS

	2024	2023
	Rp	Rp
Short-term bank loans		
Rupiah		
PT Bank DBS Indonesia	9,160,422,417	-
MUFG Bank, Ltd., Jakarta Branch	-	4,213,222,782
US Dollar		
MUFG Bank, Ltd., Jakarta Branch (USD 15,550,000 in 2025 and USD 10,750,000 in 2024)	257,943,400,000	170,419,751,585
Citibank, N.A. (USD 11,587,220 in 2025 and USD 16,000,000 in 2024)	192,208,805,360	253,648,000,000
Standard Chartered Bank Indonesia (USD 5,599,355 in 2025 and USD 7,114,047 in 2024)	92,882,100,740	112,778,990,262
PT Bank Mizuho Indonesia (USD 4,000,000 in 2025)	66,352,000,000	-
PT Bank DBS Indonesia (USD 1,249,463 in 2025 and USD 1,052,978 in 2024)	20,726,087,931	16,692,863,405
China Yuan		
PT Bank DBS Indonesia (CNH 1,252,802 in 2025 and CNH 1,247,212 in 2024)	2,857,390,802	2,725,507,820
MUFG Bank, Ltd., Jakarta Branch (Nil in 2025 and CNH 820,558 in 2024)	-	1,793,149,255
Total	642,130,207,250	562,271,485,109

The amortized cost of the bank loans are as follows:

	2025	2024
	Rp	Rp
Bank loans	642,130,207,250	562,271,485,109
Accrued interest	3,987,124,910	6,109,532,584
Amortized cost	646,117,332,160	568,381,017,693

PT Bank DBS Indonesia

In May 2013, the Company obtained uncommitted omnibus trade facility from PT Bank DBS Indonesia with a maximum limit of USD 5,000,000 with sub-facility comprise of import letter credit facility, account payables financing facility, SKBDN export bill letter of credit and revolving credit facility, which also can be drawn in Indonesian Rupiah and Chinese Yuan. The facility is unsecured.

As of March 31, 2023, the outstanding US Dollar, Indonesian Rupiah and Chinese Yuan denominated loan represents account payables financing facility. In 2023, interest rate per annum is at 7.30% for US Dollar denominated loan, at 10.00% for Indonesian Rupiah denominated loan and at 6.50% for Chinese Yuan denominated loan.

As of March 31, 2024, the outstanding US Dollar and Chinese Yuan denominated loan represents import letter credit facility. The agreement has been amended several times, with the latest change relating to the extension of the facility period extended until March 31, 2024.

The Company amended the loan agreement with PT Bank DBS Indonesia in July 2024 which obtained uncommitted omnibus trade facility from PT Bank DBS Indonesia with a maximum limit of USD 7,000,000 with sub-facility comprise of import letter credit facility, purchase invoice financing facility, and SKBDN export bill letter of credit. The Company also obtained the uncommitted of revolving credit facility for maximum credit limit of USD 1,000,000. This facility is valid up to June 30, 2025.

As of March 31, 2025, the outstanding US Dollar, Chinese Yuan, and Indonesian Rupiah denominated loan represents import/local letter credit facility.

MUFG Bank, Ltd., Jakarta Branch

The Company obtained credit facilities from MUFG Bank, Ltd., Jakarta Branch, in May 2021 and May 2022, which was jointly renewed in December 2023, for maximum credit limit of USD 10,000,000 which is an omnibus facility with sub-limits comprising of uncommitted short-term loan, SKBDN, LC import/local facilities, import settlement, invoice financing and foreign exchange facilities. This facility is valid up to December 31, 2024. The facility is secured by lien on receivables and inventory to the extent of credit limit.

On December 31, 2024, the Company entered a new loan agreement with MUFG Bank, Ltd., Jakarta Branch, for maximum credit limit of USD 18,000,000 which is a facility with sub-limits comprising of uncommitted short-term loan, SKBDN, LC import/local facilities, import settlement, invoice financing and payable finance facilities. This facility is valid up to December 31, 2025. The facility is unsecured.

As of March 31, 2025, the outstanding loan for US Dollar denominated loans represents uncommitted short-term loan, with interest rate ranging at 5.28 % - 5.59% (2024: ranging at 7.17% - 7.20%).

Citibank, N.A.

In September 2023, the Company obtained revolving credit facility from Citibank, N.A., with maximum credit limit of USD 20,000,000 with comprise of Working Capital Loan for USD 15,000,000 and Trade Payables Financing for USD 5,000,000. The facility is unsecured and due by September 30, 2025.

In 2025, interest rate is ranging at 5.60% - 6.32% (2024: 7.43% - 7.62%).

Standard Chartered Bank Indonesia

In June 2022 and renewed in June 2023, the Company obtained an uncommitted banking facility with maximum credit limit of USD 10,000,000 with sub-limits of Short-term Loan (STL) for USD 7,500,000, Export Invoice Financing for USD 10,000,000 and Import L/C for USD 5,000,000. The facility is unsecured.

As of March 31, 2025, the outstanding loan is towards STL. The loan interest rate is ranging at 6.93% - 6.95% per annum (2024: 8.18% - 8.25%).

As per loan agreement, this facility shall be automatically extended for every twelve months period basis until terminated by both parties.

PT Bank Mizuho Indonesia

On December 20, 2024, the Company entered a new loan agreement with PT Bank Mizuho Indonesia, for maximum credit limit of USD 10,000,000 which is a facility with sub-limits comprising of LC facility, account payable financing facility, and bank guarantee facility. The facility is unsecured and valid up to December 20, 2025.

In 2025, interest rate is at 5.64%.

NOTES TO FINANCIAL STATEMENTS
March 31, 2024 and for the year then ended*(Continued)*

13. TRADE ACCOUNTS PAYABLE

	March 31, 2025	March 31, 2024
a. By creditors	Rp	Rp
Related party (Note 26)		
TVS Motor Company Limited India	593,316,664,180	742,904,137,148
Third parties	93,283,806,440	67,276,232,448
Total	686,600,470,620	810,180,369,596
b. By currency		
US Dollar	627,759,015,157	769,644,520,664
Rupiah	48,683,819,604	32,925,888,720
Chinese Yuan	10,134,802,859	7,495,496,371
India Rupee	22,833,000	114,463,841
Total	686,600,470,620	810,180,369,596

The average credit period on purchases of goods is 30 - 60 days in 2025 and 2024. No interest is charged on the outstanding balance.

14. OTHER ACCOUNTS PAYABLE

	March 31, 2025	March 31, 2024
	Rp	Rp
Related party (Note 26)		
TVS Motor Company Limited, India	25,055,056,963	20,446,460,651
Third parties	16,462,368,927	10,171,715,364
Total	41,517,425,890	30,618,176,015

Other accounts payable to a related party mostly represents information technology service fees and freight fees.

15. TAXES PAYABLE

	March 31, 2025	March 31, 2024
	Rp	Rp
Income taxes		
Article 21	1,442,884,322	1,234,111,477
Article 22	40,234,931	33,561,520
Article 23	128,833,477	93,205,359
Article 26	25,328,862	25,886,013
Article 4(2) Final	109,262,585	84,106,577
Article 29 (Note 25)	2,916,435,563	-
Total	4,662,979,740	1,470,870,946

16. ACCRUED EXPENSES

	March 31, 2025	March 31, 2024
	Rp	Rp
Management fee (Note 27)	49,764,000,000	-
Provision for sales and marketing	24,112,540,866	22,413,177,383
Freight, storage and clearance	12,718,211,289	1,776,332,006
Research and development	10,263,205,428	4,393,204,443
Supply and logistics	4,405,580,056	-
Warranty expense	4,131,945,688	4,149,388,067
Interest	3,987,124,910	6,405,449,913
Professional fees	2,476,000,000	1,625,000,000
Taxes	2,318,884,414	-
Repair and maintenance	1,824,698,120	158,130,706
Information technology	843,948,929	825,049,601
Others	6,161,300,728	3,186,980,953
Total	123,007,440,428	44,932713,072

17. LOAN FROM SHAREHOLDER

On February 1, 2024, the Company signed loan facility agreement with TVS Motor (Singapore) Pte., Ltd., with maximum loan facility of USD 2,000,000.

The loan shall be repaid entirely on or before January 31, 2025. Interest shall be calculated at fixed rate of 6% per annum from the outstanding principal amount of the facility disbursed until final settlement date.

The Company has fully paid the loan on April 30, 2024.

As of March 31, 2025, the Company's loan balance is nil (March 31, 2024: USD 2,000,000 or equivalent to Rp 31,706,000,000).

18. POST-EMPLOYMENT BENEFITS OBLIGATION

The Company provides post-employment benefits to qualifying employees in accordance with Law No. 6/2023 and Government Regulation No. 35/2021. The number of employees entitled to the benefits was 550 employees in 2025 (2024: 476 employees).

The defined benefit plan typically exposes the Company to actuarial risks such as: interest rate risk and salary risk.

Interest risk

A decrease in the bond interest rate will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Amounts recognized in comprehensive income with respect of the post-employment benefits are as follows:

	2025	2024
	Rp	Rp
Current service cost:	3,781,465,000	2,946,066,000
Interest cost	1,492,486,000	1,430,632,000
Adjustment related to change in fix allowance	-	636,922,000
Components of defined benefits cost recognised in profit or loss	5,273,951,000	5,013,620,000
Remeasurement on the net defined benefit obligation:		
Actuarial (gains) losses arising from changes in financial assumptions	(600,260,000)	191,568,000
Actuarial gains arising from experience adjustments	(194,383,000)	(1,293,847,000)
Components of defined benefit costs recognised in other comprehensive income	(794,643,000)	(1,102,279,000)
Total	4,479,308,000	3,911,341,000

Movements in the present value of the defined benefit obligations are as follows:

	2024	2023
	Rp	Rp
Balance at beginning of year	23,205,091,000	20,290,921,000
Component of defined benefit cost recognized in profit or loss	5,273,951,000	5,013,620,000
Component of defined benefit cost recognized in other comprehensive income	(794,643,000)	(1,102,279,000)
Benefits payment	(762,640,000)	(997,171,000)
Balance at end of year	26,921,759,000	23,205,091,000

The cost of providing post-employment benefits is calculated by independent actuary, KKA Steven & Mourits. The actuarial valuation was carried out using the following key assumptions:

	2025	2024
Discount rate per annum	7.20%	6.90%
Salary increment rate per annum	7.00%	7.00%
Normal retirement age	56 years old and can be extended up to 60 years old	56 years old and can be extended up to 60 years old
Mortality rate	TMI IV (2019)	TMI III
Resignation rate	5% p.a. at age of 25 and decreasing linearly to 0% p.a. at age 45 and thereafter	5% p.a. at age of 25 and decreasing linearly to 0% p.a. at age 45 and thereafter
Disability	10% of TMI IV (2019)	10% of TMI III

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 1% higher (lower), the defined benefits obligation would decrease to Rp 25,011,319,000 (increase to Rp 29,099,942,000) (2024: decrease to Rp 21,439,611,000 (increase to Rp 25,219,848,000)).
- If the expected salary growth is 1% higher (lower), the defined benefits obligation would increase to Rp 29,200,468,000 (decrease to Rp 24,891,141,000) (2024: increase to Rp 25,303,231,000 (decrease to Rp 21,337,466,000)).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation on March 31, 2025 is 14.38 years (March 31, 2024: 14.79 years).

19. CAPITAL STOCK

	March 31, 2025 and 2024		
Name of Stockholders	Ordinary Shares	Percentage of Ownership	Total Capital Stock
		%	Rp
TVS Motor Company Limited, India	8,597,000	51%	837,347,800,000
TVS Motor (Singapore) Pte., Limited	5,324,187	32%	518,575,813,800
TVS Motor Company (Europe) B.V.	2,870,000	17%	279,538,000,000
Total	16,791,187	100%	1,635,461,613,800

20. FOREIGN EXCHANGE RATE DIFFERENCE ON PAID-IN CAPITAL

This account represents the difference between the exchange rate stated in the Articles of Association and the actual exchange rate at the date the payments for capital subscription were received.

21. REVALUATION SURPLUS

This amount represents the increase in value of land due to revaluation.

22. NET SALES

	2024	2023
	Rp	Rp
Type of goods		
Sale of vehicles	1,443,919,800,789	1,528,449,025,807
Sale of spare parts	70,123,064,933	54,642,573,193
Total	1,514,042,865,722	1,583,091,599,000
Geographical markets		
Export	1,372,713,473,689	1,477,216,430,370
Domestic	141,329,392,033	105,875,168,630
Total	1,514,042,865,722	1,583,091,599,000

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) for sales of goods on March 31, 2025 is Rp 17,478,722,524 (2024: Rp 17,702,110,039) and are presented as contract liabilities.

5.81% (2024: 0.01%) of the total sales were made with related parties in 2025 (Note 26).

Details of net sales to dealers representing more than 10% of the sales are as follows:

Name of Customers	2025	2024
	Rp	Rp
Robustrade DMCC	521,858,796,019	392,177,733,474
Wandel International Nigeria Ltd	306,083,536,482	191,210,616,241
Sunshine., Ltd	298,474,766,110	288,115,740,376
Global Automobile Traders FZCO	10,616,285,798	249,068,381,061
Total	1,137,033,384,409	1,120,572,471,152

23. COST OF GOODS SOLD

	2025	2024
	Rp	Rp
Raw materials and components used	1,299,211,490,265	1,165,373,035,172
Direct labor	31,165,815,564	26,003,132,070
Overhead	154,656,758,124	124,665,757,951
Total manufacturing cost	1,485,034,063,935	1,316,041,925,193
Finished goods		
At beginning of year	37,072,121,183	34,912,658,874
At end of year	(48,350,270,297)	(37,072,121,183)
Cost of goods sold	1,473,755,914,839	1,313,882,462,884

45% (2024: 53%) of the total purchases of raw materials and components were made from TVS Motor Company Limited, India, the ultimate holding company, in 2025 (Note 26).

24. OPERATING EXPENSES

	2025	2024
	Rp	Rp
Marketing		
Advertising and market research	25,393,572,626	33,395,783,062
Free service charges	987,867,500	853,408,500
Warranty	684,467,281	229,112,274
Others	687,870,690	780,842,114
Total	27,753,778,097	35,259,145,950
General and administrative		
Management fee (Note 27)	49,764,000,000	-
Salaries, allowances and benefits	34,551,467,455	32,533,882,116
Short term and low value leases	8,374,054,441	6,454,421,749

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended*(Continued)*

	2025	2024
	Rp	Rp
Consultancy fees	7,550,811,313	4,318,699,537
Training and development	5,427,296,683	5,019,726,556
Travel and transportation	4,479,009,668	4,562,922,872
Depreciation of right-of-use assets	3,061,664,487	1,630,342,772
Insurance	2,746,158,389	2,149,758,952
Data processing (Note 26d)	2,444,280,164	1,580,826,036
Professional fees	1,519,998,985	1,473,976,500
Depreciation of property, plant and equipment (Note 11)	1,446,940,855	1,247,503,709
Reversal of expected credit losses (Note 6)	-	(4,500,000,000)
Others	5,397,409,032	6,154,486,490
Total	126,763,091,472	62,626,547,289

25. INCOME TAX

Income tax expense (benefit) of the Company consists of the following:

	2025	2024
	Rp	Rp
Current tax	3,847,940,106	-
Deferred tax	(370,929,681)	20,216,556,655
Total tax expense	3,477,010,425	20,216,556,655

Current tax

Reconciliation between profit before tax per statements of profit or loss and other comprehensive income and fiscal profit is as follows:

	2025	2024
	Rp	Rp
Profit before tax per statements of profit or loss and other comprehensive income	47,266,859,554	47,266,859,554
Temporary differences:		
Allowance for credit losses	(4,500,000,000)	(4,500,000,000)
Accrued expenses	(6,250,539,014)	(6,250,539,014)
Depreciation of property, plant and equipment	2,737,276,359	2,737,276,359
	-	-
	-	-
Employee benefits	4,016,449,000	4,016,449,000
Total	(3,996,813,656)	(3,996,813,656)
Permanent differences:		
Allowance for inventory obsolescence	2,220,353,633	2,220,353,633
Employee welfare	1,606,144,547	1,606,144,547
Tax expenses	1,090,880,365	1,090,880,365
Interest income already subjected to final tax	(306,830,407)	(306,830,407)
Others	252,534,247	252,534,247
Total	4,863,082,385	4,863,082,385
Fiscal profit before fiscal loss carryforward	48,133,128,284	48,133,128,284
Fiscal loss carryforward - net of expired portion	(92,233,694,602)	(92,233,694,602)
Total accumulated fiscal loss	(44,100,566,318)	(44,100,566,318)
Current tax	Nil	Nil

Deferred Tax

The detail of the Company's deferred tax assets is as follows:

	April 1, 2023	(Charged) credited to profit or loss for the year	Credited to other comprehensive income	March 31, 2024	(Charged) credited to profit or loss for the year	Credited to other comprehensive income	Adjustment to Deferred Tax	March 31, 2025
	Rp	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Deferred tax asset (liabilities):								
Fiscal loss	20,291,412,812	(20,291,412,812)	-	-	-	-	-	-
Albwance for credit losses	8,874,271,301	(990,000,000)	-	7,884,271,301	-	-	-	7,884,271,301
Accrued expenses	7,218,882,982	(1,375,118,583)	-	5,843,764,399	370,022,643	-	-	6,213,787,042
Property, plant and equipment	(13,442,918,362)	1,556,355,960	-	(11,886,562,402)	(18,103,100)	-	(141,664,130)	(12,046,329,632)
Right of Used Asset	-	-	-	-	186,296,212	-	29,234,836	215,531,048
Lease Liabilities	-	-	-	-	(1,047,200,000)	-	-	(1,047,200,000)
Post-employment benefits obligation	4,464,002,620	883 618 780	(242,501,380)	5,105,120,020	992,343,220	(174,821,460)	-	5,922,641,780
Deferred tax asset - net	27,405,651,353	(20,216,556,655)	(242,501,380)	6,946,593,318	483,358,975	(174,821,460)	(112,429,294)	7,142,701,539

A reconciliation between the tax expense (benefit) and the amounts computed by applying the effective tax rates to profit before tax is as follows:

	2025	2024
	Rp	Rp
Profit before tax per statements of profit or loss and other comprehensive income	42,693,855,245	47,266,859,554
Tax expense at effective tax rates	9,392,648,154	10,398,709,102
Tax effect of permanent differences	3,674,057,567	1,069,878,125
Deferred tax from fiscal loss not recognized	-	9,702,124,590
Utilized fiscal loss in current year	(9,702,124,590)	-
Others	112,429,294	(954,155,162)
Tax expense	3,477,010,425	20,216,556,655

Pillar Two Global Minimum Tax

The Ministry of Finance Regulation No. PMK-136 Year 2024 (PMK-136) was enacted in Indonesia, the jurisdiction in which the Company is incorporated, and came into effect on January 1, 2025. Management assessed that the Company has no material current tax exposure.

26. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES

Nature of Relationship

a. TVS Motor Company Limited, India ("TVS India") is the ultimate holding company and a stockholder of the Company

b. TVS Motor Company (Europe) B.V. ("TVS Europe") and TVS Motor (Singapore) Pte., Limited ("TVS Singapore"), are shareholders of the Company.

c. Related party which conforms to the criteria on Note 3d is TVS Digital Pte., Ltd and TVS Company Philippines Branch.

Transactions with Related Parties

The Company entered into certain transactions with related parties, including the following:

a. Compensation paid to the Board of Commissioners and Directors of the Company amounted to Rp 5,807,288,526 in 2025 (2024: Rp 6,157,240,607).

b. Net sales to related parties accounted for 5.81% in 2025 (2024: 0.01%), of the total net sales. At reporting date, the receivables for these sales were presented as trade accounts receivable which constituted 4.05% of the total assets as of March 31, 2025 (2024: 0.03%).

c. Purchases from a related party constituted 45% in 2025 (2024: 53%) of the total purchases of raw materials and components. At reporting date, the liabilities for these purchases were presented as trade accounts payable which constituted 38% of the total liabilities as of March 31, 2025 (2024: 49%).

d. The Company also entered non-trade transactions such as service fee (Note 27b), claim for reimbursements (Note 7), information technology services fees with a related party (Notes 14 and 24), management fee (Note 27c), and loan from shareholder (Note 17).

27. SIGNIFICANT CONTRACTS AND AGREEMENTS

a. On April 1, 2022, the Company and TVS India, entered into a License and Technical Assistance Agreement, whereas the Company is engaged in the manufacture, assembly, and sale of certain models of TVS powered two-wheelers and three-wheelers, including electric power train and obtain the right to use industrial property rights and technical information in connection with the manufacture, assembly, sale, and service of TVS two-wheelers and three-wheelers brands. As per agreement, the Company has to pay royalty of 2% on the net ex-factory price of every product and part sold. The payment of royalty will only begin when the combined production of two-wheelers and three-wheelers exceeds 20,000 units per month. This agreement will be valid for 5 years from effective date.

b. The Company and TVS India entered into a Memorandum of Understanding on March 27, 2024, and valid for period April 1, 2024 to March 31, 2025. As per Memorandum, the Company is entitled to receive service fee of every three-wheeled vehicle, sold by TVS India, in the Cambodia region. During the year, the income from such service fee amounted to Rp 517,492,250 in 2025 (2024: Rp 526,025,175). As of the date of issuance of these financial statements, this agreement is still in the process of being extended.

c. The Company and TVS Singapore entered into a Service Agreement on November 6, 2023, whereas TVS Singapore will provide the ad-hoc consulting services to the Company related to the advice, assistance and strategy in finance, manpower, and digitalization. During the year, the cost from such management fee amounted to Rp 49,764,000,000 in 2025 and recorded by the Company as part of general and administrative expenses (Note 24). As of the date of issuance of these financial statements, this agreement is still in the process of being extended.

d. The Company and PT Industri Ion Mobilitas entered into Asset Transfer Agreement on March 11, 2025 and was formalized by Notarial Deed No. 51 dated March 27, 2025 of Ardy Putra, S.H., M.Kn., notary in Jakarta, related to the acquisition of property and equipment owned by PT Industri Ion Mobilitas. Total property and equipment acquired by the Company amounting to Rp 12,446,249,998.

28. MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

		March 31, 2025		March 31, 2024	
		Foreign Currency	Equivalent in Rp	Foreign Currency	Equivalent in Rp
Monetary Assets					
Cash and cash equivalents	USD	3,040,348	50,433,295,775	4,925,596	78,085,476,399
	EUR	94,429	1,689,617,790	-	-
Trade accounts receivable					
Related party	USD	5,332,888	88,461,944,485	37,938	601,435,870
Third parties	USD	50,763,901	842,071,584,812	61,282,412	971,510,085,203
Other accounts receivable					
Related parties	USD	1,670,943	27,717,610,040	1,332,307	21,121,062,395
Third parties	USD	342,775	5,685,951,700	138,960	2,202,927,807
Security deposits	USD	12,055	199,968,340	24,220	383,959,660
Total monetary assets			1,016,259,972,942		1,073,904,947,334
Monetary liabilities					
Bank loans	USD	37,986,038	630,112,398,344	34,917,026	553,539,605,252
	CNH	1,252,802	2,857,390,802	2,067,770	4,518,657,075
Trade accounts payable					
Related party	USD	35,767,824	593,316,664,180	46,862,054	742,904,137,148
Third parties	USD	2,076,341	34,442,350,977	1,686,771	26,740,383,517
	CNH	4,443,530	10,134,802,859		
	INR	119,865	22,833,000	333,490	63,012,973
		-	-	3,429,554	7,494,535,972
Other accounts payable					
Related party	USD	1,510,433	25,055,056,963	1,289,753	20,446,460,651
Third parties	USD	382,612	6,346,763,875	253,233	4,014,505,602
Loan from shareholder	USD	-	-	2,000,000	31,706,000 000
Total monetary liabilities			1,302,288,261,000		1,391,427,298,191
Net monetary liabilities			(286,028,288,058)		(317,522,350,856)

NOTES TO FINANCIAL STATEMENTS
March 31, 2025 and for the year then ended*(Continued)*

The conversion rates used by the Company are as follows:

	March 31, 2025	March 31, 2024
	Rp	Rp
USD	16,588.00	15,853.00
EUR	17,893.00	17,161.00
CNH	2,280.80	2,185.28
RMB	2,283.75	2,193.06
INR	190.49	188.95

29. FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL RISK MANAGEMENT

a. Categories and Classes of Financial Instruments

	March 31, 2025		March 31, 2024	
	Financial assets at amortized cost	Financial liabiities at amortized cost	Financial assets at amortized cost	Financial liabiities at amortized cost
	Rp	Rp	Rp	Rp
Financial assets				
Cash in banks and cash equivalent	69,015,298,507	-	122,706,735,164	-
Trade accounts receivable				
Related parties	88,461,944,485	-	601,435,870	-
Third parties	821,414,110,487	-	951,857,845,652	-
Other accounts receivable				
Related parties	27,717,610,040	-	21,524,251,401	-
Third parties	8,206,862,805	-	2,203,967,807	-
Other current assets	4,558,667,656	-	4,721,632,303	-
Security deposits	2,030,009,832	-	1,828,506,460	-
Financial liabilities				
Bank loans	-	642,130,207,250	-	562,271,485,109
Trade accounts payable				
Related party	-	593,316,664,180	-	742,904,137,148
Third parties	-	93,283,806,440	-	67,276,232,448
Other accounts payable				
Related party	-	25,055,056,963	-	20,446,460,651
Third parties	-	16,462,368,927	-	10,171,715,364
Accrued expenses	-	123,007,440,428	-	44,932,713,072
Loan from shareholder	-	-	-	31,706,000,000
Deposit from customers	-	1,212,342,344	-	2,206,478,442
Total	1,021,404,503,812	1,494,467,886,532	1,105,444,374,657	1,481,915,222,234

b. Financial risk management objectives and policies

The Company's overall financial risk management and policies seek to ensure that adequate financial resources are available for operation and development of its business, while managing its exposure to interest rate, foreign exchange, credit, and liquidity risks. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

i. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Company's exposure to the market interest fluctuation arises primarily from borrowings with variable interest rates.

To manage the interest rate exposure on its borrowings, the Company reviews the interest rate movements to enable management to take appropriate measures such as maintaining an appropriate mix between fixed and variable rate borrowings to help manage the exposure.

Financial instruments of the Company that are exposed to cash flow interest rate risk are included in liquidity and interest rate risks table in section (iv) below.

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

In 2025, if interest rate had been 115 basis points (2024: 55 basis points) higher (lower) and the other variables held constant, the Company's profit after tax would decrease (increase) by Rp 5,760,070,588 (2024: Rp 2,432,538,609).

The Company's sensitivity to interest rates has increased during the current year mainly due to the increase in variable rate debt instruments.

ii. Foreign currency risk management

The Company is mainly exposed to the U.S. Dollar. The Company's monetary assets and liabilities open position at March 31, 2025 and 2024 is detailed in Note 28.

The following table details the Company's sensitivity to a 4% (2024: 3%) decrease in the Rupiah against U.S Dollar. 4% in 2025 (2024: 3%) is the sensitivity rate used when reporting foreign

currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 4% change in foreign currency rates in 2025 (2024: 3%). A negative number below indicates an increase in profit where the U.S. Dollar weakening 4% and 3% against the relevant currency. For a 4% and 3% strengthening of the U.S. Dollar against the relevant currency, there would be a comparable impact on the profit, and the balances below would be negative.

	USD Impact	
	2025	2024
	Rp	Rp
Net profit for the year	(11,788,286,279)	(9,125,285,629)

Based on management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

iii. Credit risk management

The Company develops and maintains its credit risk gradings to categorize exposures according to their degree of risk of default. The Company uses its own trading records to rate its major customers and other debtors.Based on management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >120 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >365 days past due or there is evidence indicating the asset is creditimpaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Internal Credit Rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
			Rp	Rp	Rp
March 31, 2025					
Cash in banks and cash equivalent (Note 5)	Performing	12-month ECL	69,015,298,507	-	69,015,298,507
Trade accounts receivable (Note 6)	(i)	Lifetime ECL (simplified approach)	945,713,651,795	(35,837,596,823)	909,876,054,972
Other accounts receivable	Performing	12-month ECL	35,924,472,845	35,924,472,845	
Other current assets	Performing	12-month ECL	4,558,667,656	4,558,667,656	
Security deposits	Performing	12-month ECL	2,030,009,832	2,030,009,832	
				(35 837 596 823)	

	Internal Credit Rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
			Rp	Rp	Rp
March 31, 2024					
Cash in banks and cash equivalent (Note 5)	Performing	12-month ECL	122,706,735,164	-	122,706,735,164
Trade accounts receivable (Note 6)	(i)	Lifetime ECL (simplified approach)	988,296,878,345	(35,837,596,823)	952,459,281,522
Other accounts receivable	Performing	12-month ECL	23,728,219,208	23,728,219,208	
Other current assets	Performing	12-month ECL	4,721,632,303	4,721,632,303	
Security deposits	Performing	12-month ECL	1,828,506,460	1,828,506,460	
				(35 837 596 823)	

(i) The Company determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

The Company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The Company only grants credit to creditworthy counterparties. Cash is held with creditworthy institutions and is subject to immaterial credit loss.

The Company's credit exposure has no significant concentration of credit risk with any single customer or group of customers.

iv. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Directors, which has built an appropriate liquidity risk management framework for the management of the Company'sshort, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	March 31, 2025				
	Weighted average effective interest rate	Less than 1 year	1-5 years	More than 5 years	Total
		Rp	Rp	Rp	Rp
Non-interest bearing					
Trade accounts payable					
Related party	-	593,316,664,180	-	-	593,316,664,180
Third parties	-	93,283,806,440	-	-	93,283,806,440
Other accounts payable					
Re lated party	-	25,055,056,963	-	-	25,055,056,963
Third parties	-	16,462,368,927	-	-	16,462,368,927
Accrued expense	-	123,007,440,428	-	-	123,007,440,428
Variable interest rate instruments					
Bank loans	5,64% - 8,00%	646,117,332,160	-	-	646,117,332,160
Lease liabilities	7 ,60% - 12,86%	6,632,968,000	5,990,000,000	-	12,622,968,000
Total		1,503,875,637,098	5,990,000,000	-	1,509,865,637,098

	March 31, 2024				
	Weighted average effective interest rate	Less than 1 year	1-5 years	More than 5 years	Total
		Rp	Rp	Rp	Rp
Non-interest bearing					
Trade accounts payable					
Related party	-	742,904,137,148	-	-	742,904,137,148
Third parties	-	67,276,232,448	-	-	67,276,232,448
Other accounts payable					
Related party	-	20,446,460,651	-	-	20,446,460,651
Third parties	-	10,171,715,364	-	-	10,171,715,364
Accrued expense	-	44,932,713,072	-	-	44,932,713,072
Variable interest rate instruments					
Bank loans	7.17% - 8.25%	568,381,017,693	-	-	568,381,017,693
Lease liabilities	7.60% - 10.90%	2,323,904,000	352,968,000	-	2,676,872,000
Fixed interest rate instruments					
Loan from shareholder	6.00%	33,291,300,000	-	-	33,291,300,000
Total		1,489,727,480,376	352,968,000	-	1,490,080,448,376

All financial assets are due within one year from the end of the reporting period.

c. Fair Value Measurements

Fair value of financial instruments carried at amortized cost

Management considers that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values because they have either short-term maturities or carry market interest rate.

d. Capital Management

The Company manages capital risk to ensure that it will be able to continue as a going concern and to maximizing the profits of the shareholders through the optimization of the balance of debt and equity. The Company's capital structure consists of bank loans (Note 12) and loan from shareholder (Note 17) offset by cash and cash equivalents (Note 5) and shareholders' equity consisting of capital stock (Note 19), foreign exchange rate difference on paid-in capital (Note 20), revaluation surplus (Note 21), other comprehensive income.

The Director of the Company periodically reviews the Company's capital structure. As part of this review, the Board of Directors considers the cost of capital and related risk.

The Company strategy remains unchanged from 2024.

The gearing ratio at reporting date is as follows:

	March 31, 2025	March 31, 2024
	Rp	Rp
Debt	653,478,512,908	596,486,474,096
Cash and cash equivalents	69,204,667,401	122,805,247,441
Debt - net	584,273,845,507	473,681,226,655
Equity	631,293,144,630	591,456,478,270
Net debt to equity ratio	93%	80%

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	April 1, 2024	Financing cash flows	Non-cash transaction changes	March 31, 2025
	Rp	Rp	Rp	Rp
Bank loans	562,271,485,109	54,264,667,835	25,594,054,306	642,130,207,250
Loan from shareholder	31,706,000,000	(31,706,000,000)	-	-
Lease liabilities	2,508,988,987	(7,218,904,000)	16,058,220,671	11,348,305,658
	596,486,474,096	15,339,763,835	41,652,274,977	653,478,512,908

	April 1, 2023	Financing cash flows	Non-cash transaction changes	March 31, 2024
	Rp	Rp	Rp	Rp
Bank loans	499,556,210,289	42,483,181,556	20,232,093,264	562,271,485,109
Loan from shareholder	-	31,376,000,000	330,000,000	31,706,000,000
Lease liabilities	3,917,144,025	(2,286,212,456)	878,057,418	2,508,988,987
	503,473,354,314	71,572,969,100	21,440,150,682	596,486,474,096

31. SUPPLEMENTAL DISCLOSURES ON NON-CASH ACTIVITIES

	2025	2024
	Rp	Rp
Acquisition of property and equipment through incurrence payable	360,239,200	-

32. MANAGEMENT'S RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS

The preparation and fair presentation of the financial statements on pages 1 to 39 were the responsibilities of the management and were approved by Director and authorized for issuance on April 29, 2025.

RE-STATED ACCOUNTS OF
PT. TVS MOTOR COMPANY INDONESIA

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	IDR in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	4,63,549.48	238.73
Right of use asset	1	15,450.53	7.96
Capital Work in Progress		9,531.12	4.91
Other Non Current Assets	2	2,030.01	1.05
Deferred tax Assets		7,142.70	3.68
		4,97,703.84	256.33
Current assets			
Inventories	3	3,69,923.77	190.51
Financial assets			
i. Trade receivables	4	9,45,800.52	487.09
ii. Cash and cash equivalents	5	69,204.67	35.64
Current tax assets (Net)		-	-
Other current assets	6	3,03,540.00	156.33
		16,88,468.96	869.57
Total Assets		21,86,172.80	1,125.90
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	16,35,461.61	906.08
Other equity	8	(10,04,168.47)	(580.93)
		6,31,293.14	325.15
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings		-	-
ii. Lease Liabilities		5,571.10	2.87
Provisions	9	26,921.76	13.86
		32,492.86	16.73
Current liabilities			
Financial liabilities			
i. Borrowings	10	6,42,130.21	330.69
ii. Lease Liabilities		5,777.21	2.98
iii. Trade payables	11		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues other than (iii) (a) above		7,28,117.90	374.98
iv. Other financial liabilities	12	1,212.34	0.62
Current tax liabilities		4,662.98	2.40
Other current liabilities	13	1,40,486.16	72.35
		15,22,386.80	784.02
Total liabilities		15,54,879.66	800.75
Total equity and liabilities		21,86,172.80	1,125.90

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

		Notes	IDR in Mn.	Rupees in crores
I	Revenue from operations	14	17,30,499.30	912.98
II	Other income	15	667.33	0.35
III	Total Income (I +II)		17,31,166.63	913.33
IV	Expenses:			
	Cost of material consumed	16	14,73,755.91	777.52
	Changes in inventories of finished goods, stock-in -trade and work-in-progress	16	0.00	-
	Employee benefits expense	17	34,552.37	18.23
	Finance costs	18	42,429.96	22.39
	Depreciation and amortisation expense	19	4,508.60	2.38
	Other expenses	20	1,33,225.93	70.27
			16,88,472.77	890.79
V	Profit before exceptional items,(III - IV)		42,693.86	22.54
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		42,693.86	22.54
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		3,477.01	1.83
IX	Profit for the year (VII - VIII)		39,216.85	20.71
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss			
	Remeasurements of post employment benefit obligations		794.64	0.42
	Income tax relating to the above items		(174.82)	(0.09)
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	85.09
			619.82	85.42
XI	Total Comprehensive Income (IX+X)		39,836.67	106.13
XII	Earnings per equity share (Face value of IDR.97,400/- each)			
	Basic & Diluted earnings per share (in IDR / in rupees)		2,335.56	12.33

Notes to Accounts

1 Property, Plant & Equipment

IDR in Millions

Description	Property, Plant & Equipment						
	Land	Buildings	Plant & equipment	Vehicles	Office Eqipments	Right of use asset	Total
	1	2	3	4	5	6	7
Cost of assets							
Gross carrying value as at 01-04-2024	3,04,162.00	1,02,705.15	2,42,920.56	1,490.10	15,032.22	6,789.22	6,73,099.24
Additions	-	4,755.06	52,835.72	63.06	3,174.71	15,760.22	76,588.77
Sub-total	3,04,162.00	1,07,460.21	2,95,756.28	1,553.16	18,206.92	22,549.43	7,49,688.01
Sales / deletion	-	-	1,306.08	32.11	577.92	-	1,916.11
Total	3,04,162.00	1,07,460.21	2,94,450.20	1,521.05	17,629.00	22,549.43	7,47,771.90
Depreciation / Amortisation							
Upto 31-03-2024	-	69,794.88	1,63,397.61	1,305.34	12,366.01	4,037.24	2,50,901.08
For the year	-	5,206.63	10,043.44	47.73	1,399.21	3,061.66	19,758.68
Sub-total	-	75,001.51	1,73,441.05	1,353.07	13,765.22	7,098.91	2,70,659.76
Withdrawn on assets sold / deleted	-	-	1,306.08	15.08	566.71	-	1,887.87
Total	-	75,001.51	1,72,134.97	1,337.99	13,198.50	7,098.91	2,68,771.89
Carrying value							
As at 31-03-2025	3,04,162.00	32,458.70	1,22,315.23	183.06	4,430.50	15,450.53	4,79,000.01

1 Property, Plant & Equipment - (Continued)

Rupees in crores

Description	Property, Plant & Equipment						
	Land	Buildings	Plant & equipment	Vehicles	Office Equipments	Right of use asset	Total
	1	2	3	4	5	6	7
Cost of assets							
Gross carrying value as at 01-04-2024	159.69	53.92	127.53	0.78	7.89	3.56	353.38
Additions	-	2.45	27.21	0.03	1.63	8.12	39.44
Foreign Currency translation reserve difference	(3.04)	(1.03)	(2.43)	(0.01)	(0.15)	(0.07)	(6.73)
Sales / deletion	-	-	0.67	0.02	0.30	-	0.99
Total	156.65	55.34	151.64	0.78	9.08	11.61	385.10
Depreciation / Amortisation							
Upto 31-03-2024	-	36.64	85.78	0.69	6.49	2.12	131.72
For the year	-	2.75	5.30	0.03	0.74	1.62	10.42
Foreign Currency translation reserve difference	-	(0.76)	(1.74)	(0.01)	(0.13)	(0.08)	(2.73)
Withdrawn on assets sold / deleted	-	-	0.69	0.01	0.30	-	1.00
Total	-	38.63	88.65	0.69	6.80	3.66	138.42
Carrying value							
As at 31-03-2025	156.64	16.72	62.99	0.09	2.28	7.96	246.69

Notes on accounts - *(continued)*

		IDR in Mn. As at 31-03-2025	Rupees in crores As at 31-03-2025
2	OTHER NON-CURRENT ASSETS		
	Advances other than capital advances:		
	Deposits made	2,030.01	1.05
		2,030.01	1.05
3	INVENTORIES		
	Raw materials and components	3,31,390.80	170.67
	Finished goods	37,072.12	19.09
	Stores and spares	1,460.85	0.75
		3,69,923.77	190.51
4	TRADE RECEIVABLES		
	Secured, considered good		
	Unsecured, considered good	9,45,800.52	487.09
		9,45,800.52	487.09
	Less : Loss allowance	-	-
		9,45,800.52	487.09
5	CASH AND CASH EQUIVALENTS		
	Balances with banks in current accounts	69,204.67	35.64
	Cash on hand	-	-
		69,204.67	35.64
6	OTHER CURRENT ASSETS		
	Vendor advance	26,385.38	13.59
	VAT receivable	2,70,188.47	139.15
	Others	6,966.15	3.59
		3,03,540.00	156.33
7	EQUITY SHARE CAPITAL		
	Authorised, issued, subscribed and fully paid up:		
	Authorised:		
	17,500,000 Ordinary shares of IDR.97,400 each	17,04,500.00	944.33
	Issued, subscribed and fully paid up:		
	16,791,187 Ordinary shares of IDR.97,400 each	16,35,461.61	906.08
		16,35,461.61	906.08

		IDR in Mn. As at 31-03-2025	Rupees in crores As at 31-03-2025
8	OTHER EQUITY		
	Revaluation reserve	2,76,495.21	142.40
	OCI	12,303.78	6.35
	Retained earnings	(15,09,159.97)	(792.19)
	Foreign currency translation reserve	2,16,192.52	62.51
		(10,04,168.47)	(580.93)
9	NON - CURRENT LIABILITIES - PROVISIONS		
	Provision for employee benefits - Pension	26,921.76	13.86
		26,921.76	13.86
10	FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
	Borrowings repayable on demand from banks		
	Secured	3,84,186.81	197.85
	Unsecured	2,57,943.40	132.84
		6,42,130.21	330.69
11	TRADE PAYABLES		
	Dues to Micro and Small Enterprises **		
	Dues to enterprises other than Micro and Small Enterprises	7,28,117.90	374.98
		7,28,117.90	374.98

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

12	OTHER FINANCIAL LIABILITIES		
	Trade deposits	1,212.34	0.62
		1,212.34	0.62
13	OTHER CURRENT LIABILITIES		
	Accrued expenses	1,23,007.44	63.35
	Advance received from customers	17,478.72	9.00
		1,40,486.16	72.35

Notes on accounts - *(continued)*

		IDR in Mn. For the year ended 31-03-2025	Rupees in crores For the year ended 31-03-2025
14	REVENUE FROM OPERATIONS		
	Sale of products	17,28,690.57	912.02
	Sale of service	1,015.40	0.54
	Other operating revenue	793.33	0.42
		17,30,499.30	912.98
15	OTHER INCOME		
	Interest income	205.72	0.11
	Other non-operating income	461.61	0.24
		667.33	0.35
16	MATERIAL COST :		
	Cost of Materials Consumed		
	Opening stock of raw materials and components	3,88,649.79	181.52
	Add: Purchases	14,16,496.92	766.67
		18,05,146.71	948.19
	Less: Closing stock of raw materials and components	3,31,390.80	170.67
	Consumption of raw materials and components	14,73,755.91	777.52
	Changes in inventories of finished goods, work-in-progress and		
	stock-in-trade:		
	Opening stock:		
	Finished goods	37,072.12	19.09
	(A)	37,072.12	19.09
	Closing stock:		
	Finished goods	37,072.12	19.09
	(B)	37,072.12	19.09
	(A)-(B)	0.00	-

		IDR in Mn. For the year ended 31-03-2025	Rupees in crores For the year ended 31-03-2025
17	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	34,552.37	18.23
		34,552.37	18.23
18	FINANCE COSTS		
	Interest	42,429.96	22.39
		42,429.96	22.39
19	DEPRECIATION AND AMORTISATION EXPENSE		
	Depreciation on property plant and equipment	1,446.94	0.76
	Depreciation on right of use asset	3,061.66	1.62
		4,508.60	2.38
20	OTHER EXPENSES		
	(a) Rent	8,374.05	4.42
	(b) Repairs & Maintenance	293.70	0.15
	(c) Insurance	2,746.16	1.45
	(d) Rates and taxes (excluding taxes on income)	2,582.41	1.36
	(e) Audit fees	1,520.00	0.80
	(f) Transportation Charges	4,479.01	2.36
	(g) Training & Development	5,427.30	2.86
	(h) Advertisement and publicity	27,753.78	14.64
	(i) Foreign exchange loss	16,156.02	8.52
	(j) Miscellaneous expenses	63,893.50	33.71
		1,33,225.93	70.27

Report of the statutory auditor on the limited statutory examination to the General Meeting of Shareholders of the GO corporation, Zurich

Bassersdorf, April 15, 2025

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of the GO corporation for the financial year ended December 31, 2024.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as weil as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as weil as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the Company's articles of incorporation.

renius revisions ag
Tanja Jager
Dipl. Treuhandexpertin
Zugelassene Revisionsexpertin RAB
Leitende Revisorin

Enclosures:
- Financial Statements (Balance Sheet, Income Statement, Notes)
- Proposed appropriation of available earnings

BALANCE SHEET AS OF 31. DECEMBER

(in Swiss francs)

	2024	%	2023	%
Assets				
Current assets				
Cash and cash equivalents	2774'310.97		600'127.37	
Trade receivables				
From third parties	97'886.91		81'637.40	
From associated companies	310'234.80		299'502.24	
Other current receivables				
From third parties	124'837.85		187'381.28	
Inventories and non-invoiced services	2'044'529.00		3'850'535.63	
Accrued income and prepaid expenses	764'367.64		145'387.28	
Total Current assets	**6'116'167.17**	**48%**	**5'164'571.20**	**45%**
Non-current assets				
Financial assets				
Longterm receivables				
From associated companies	5'539'894.31		5'430'915.61	
Shareholdings	1.00		0.00	
Tangible fixed assets				
Property, plant and equipment				
Office equipment	105'206.99		184'897.08	
Computer equipment	6'300.78		24'997.38	
Vehicles	4'067.90		2'049.31	
Asset under construction	508'354.27		576745.88	
Intangible fixed assets	463'815.10		0.00	
Total Non-current assets	**6'627'640.35**	**52** %	**6'219'605.26**	**55** %
Total Assets	**12'743'807.52**	**100** %	**11'384'176.46**	**100** %

	2024	%	2023	%
Liabilities and shareholders' equity				
Current liabilities				
Trade creditors				
To third parties	391'429.13		378'264.16	
Other current liabilities				
To third parties	113'922.14		178'422.34	
To associated companies	398784.55		0.00	
Deferred income and accrued expenses	313'549.66		442'835.60	
Total Current liabilities	**1'217'685.48**	**10** %	**999'522.10**	**9%**
Noncurrent liabilities				
Loans (Capital I)				
To third parties	5'995'000.00		6'475'000.00	
To Shareholders	523'050.55		414'999.18	
Other noncurrent financial liabilities				
To Shareholders	0.00		1'500'000.00	
Total Noncurrent liabilities	**6'518'050.55**	**51** %	**8'389'999.18**	**74%**
Shareholders' equity				
Share capital	287'921.49		195'242.90	
Statutory capital reserves	9'206733.69		15'584'602.72	
Voluntary retained earnings				
Balance to be carried forward				
Brought forward from previous year	0.00		-7'587'818.15	
Annual loss	-4'486'583.69		-6'197'372.29	
	-4'486'583.69	-35 %	-13785'190.44	-121%
Total Shareholders' equity	**5'008'071.49**	**39** %	**1'994'655.18**	**18**%
Total Liabilities and shareholders' equity	**12'743'807.52**	**100** %	**11'384'176.46**	**100%**

INCOME STATEMENT FOR THE YEAR ENDED 31, DECEMBER

(in Swiss francs)

	2024	%	2023	%
Operating income				
Net revenue from sales of goods and services	3'199'582.10		4'480'034.57	
Other operating income	5'570.00		125'257.99	
Deductions and discounts	-188765.86		-722'386.11	
Total Operating income	**3'016'386.24**	**100** %	**3'882'906.45**	**100** %
Direct Expense				
Expense for materials goods and services	-2'282'622.00		-2'807'917.01	
Expense services	-768.64		-4'920.00	
Total Direct Expense	**-2'283'390.64**	**-76** %	**-2'812'837.01**	**-72** %
Gross profit I	**732'995.60**	**24%**	**1'070'069.44**	**28** %
Employee expenses				
Personnel expenses	-1'973'584.37		-3'079716.42	
Social security expenses	-267'050.00		-383'499.80	
Otherpersonnelexpenses	-63'360.20		-164'114.36	
Total Employee expenses	**-2'303'994.57**	**-76** %	**-3'627'330.58**	**-93** %
Gross profit II	**-1'570'998.97**	**-52** %	**-2'557'261.14**	**-66** %
Other operating expense				
Rental expense	-584'396. 97		-887'619.09	
Repairs, maintenance, leasing	-47'906.00		-41'144.22	
Vehicle expense	-1'840.94		-23736.23	
Business Insurance	-22'133.00		-42'538.70	
Administrative	-339'622.77		-269'566.43	
Advertising expense	-380'651.70		-416'275.96	
Other operational expense	-73'891.60		-51'591.77	
Total Other operating expense	**-1'450'442.98**	**-48** %	**-1'732'472.40**	**-45** %
Earnings before interest, taxes, depreciation				
(EBITDA)	**-3'021'441.95**	**-100** %	**-4'289'733.54**	**-110** %
Depreciation on financial asset items	0.00		-409'951.28	
Depreciation on inventory	-946'198.27		-202'660.00	
Depreciation on fixed asset items	-195'949.40		-275'149.81	
Depreciation on intangible fixed asset items	-96'368.10		0.00	
Earnings before interest, taxes (EBII)	**-4'259'957.72**	**-141** %	**-5'177'494.63**	**-133** %
Financial expense	-310'088.96		-429'091.85	
Leasing expenses	-14'961.66		-35'619.50	
Financial income	0.00		-242'116.90	
Operating result	**-4'585'008.34**	**-152** %	**-5'884'322.88**	**-152** %
Extraordinary expense	0.00		-321 '842.13	
Extraordinary income	101'400.00		7'895.07	
Profit before tax (EBI)	**-4'483'608.34**	**-149** %	**-6'198'269.94**	**-160** %
Direct taxes	-2'975.35		897.65	
Annual loss (EA1)	**-4'486'583.69**	**-149** %	**-6'197'372.29**	**-160** %

Notes to the financial statements December 31, 2024 (in Swiss francs)

1. Accounting policies used in the preparation of the financial statements

These financial statements 2024 were prepared under the provisions of the Swiss accounting law in particular the articles of the Swiss Code of Obligations about commercial bookkeeping and accounting (Art. 957 to 962).

The main accounting and valuation principles used, which are not already specified by the Code of Obligations, are described as follows.

2 Details and additional information to the financial statements

		2024	2023
2.1	**Inventories**		
	Bikes and Accesoires	2'044'529	3'850'536

3. Further details required by law

		2024	2023
3.1	**Net release of hidden reserves**		
	Total net release of hidden reserves	0	0

		2024		2023	
3.2	**Number of employees**				
	Headcount in full-time equivalents on annual average up to 10 full-time employees				
	not over 50 full-time employees	x		x	
	not over 250 full-time employees				
	over 250 full-time employees				

		2024	2023
3.3	**Investments**		
	Business name, legal form, registered office		
	EGO Movement Stuttgard GmbH (in EURO)		
	Sharecapital	25'000	25'000
	Paid in	100%	100%
	Capital share in %	100%	100%
	Voting share in %	100%	100%

3.4 Own shares	2024		2023	
	Quantity	Value CHF	Quantity	Value CHF
Own shares at beginning of period	0	0	0	0
Purchase of own shares	0	0	0	0
Sale of own shares	0	0	0	0
Own shares at the end of the period	0	0	0	0

		2024	2023
3.5	**Total balance payable from purchase agreement like leasing or other leasing- or rentlal liabilities, with a term of more than twelve months after the balance sheet date.**		
	Purchase like leasing with a term of more than 12 months after the balance sheet date.	473'893	684'510

		2024	2023
3.6	**Liabilities towards pension funds**		
	Total liabilities towards pension funds	114'335	125'743

		2024	2023
3.7	**Total amount pledged as security for own liabilities or for those of third parties**		
	none		

		2024	2023
3.8	**Contingent liabilities**		
	Rental guarantees	92'576	118'976

		2024	2023
3.9	**Explanations about extraordinary, one-off items or items relating to other periods, in the income statement**		
	remaining	0	1'620
	Consulting and capital increase expenses	0	131'400
	Impairmant accounts receivables	0	196'168
	Correction KER	0	-7'346
	Total expenses		321'842
	Insurance refunds	0	7'890
	various earnings	0	5
	Reversal of provisions for the stamp duty	0	101'400
	Total income	0	109'295
	Total extraordinary, one-off items or items relating to other periods	0	431'137

3.10 Other significant events after the balance sheet date

TVS has purchased the remaining shares from the minority shareholders as per 25.03.2025 and has now 100% control over the GO corporation.

Proposal of the board of directors for appropriation of retained earnings December 31, 2024 (in Swiss francs)

	2024
Profit carried forward from previous year	000
Net income (loss) for the perdiod	-4'486'583.69
Accumulated loss	**-4'486'583.69**

The Board of Directors proposes that the accumulated loss be offset as follows:

Statutory capital reserves	**9'206'733.69**
Offset of accumulated loss agains statutory capital reserves:	**-4'486'583.69**
Statutory capital reserves carried forward to new account:	**4'720'150.00**

RE-STATED ACCOUNTS OF
THE GO CORPORATION

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	CHF in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	0.10	0.98
Capital work-in-progress		0.54	5.25
Other Intangible assets	1	0.43	4.15
Deferred tax Assets			
		1.07	10.38
Current assets			
Inventories	2	3.42	33.15
Financial assets			
Trade receivables	3	0.61	5.91
Cash and cash equivalents	4	1.54	15.00
Other current assets	5	1.90	18.44
		7.47	72.50
Total Assets		8.55	82.88
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	0.29	2.63
Other equity	7	0.50	4.96
		0.79	7.59
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Borrowing	8	1.68	16.28
		1.68	16.28
Current liabilities			
Financial liabilities			
(i) Borrowings	9	4.78	46.25
(ii) Trade payables	10		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (ii) (a) above		0.93	9.10
Other Financial Liabilities	11	0.09	0.88
Other Current Liabilities	12	0.28	2.78
		6.08	59.01
Total liabilities		7.76	75.29
Total equity and liabilities		8.55	82.88

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

		Notes	CHF in Mn.	Rupees in crores
I	Revenue from operations	13	2.30	21.94
II	Other income		-	-
III	Total Income (I +II)		2.30	21.94
IV	Expenses:			
	Purchases of stock-in-trade		(0.79)	(4.74)
	Changes in inventories of Stock-in -trade		3.37	29.35
	Employee benefits expense	14	2.23	21.28
	Finance costs	15	0.39	3.70
	Depreciation and amortisation expense	16	0.44	4.20
	Other expenses	17	2.30	21.96
			7.94	75.75
V	Profit before exceptional items (III - IV)		(5.64)	(53.81)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(5.64)	(53.81)
VIII	Tax expense			
	i) Current tax		-	0.03
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(5.64)	(53.84)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		(0.18)	28.38
			(0.18)	28.38
XI	Total Comprehensive Income (IX + X)		(5.82)	(25.46)
XII	Earnings per equity share (Face value of CHF .01/- each)			
	Basic & Diluted earnings per share (in CHF/ in rupees)		(0.20)	(18.70)

Notes on Accounts

		CHF in Mn. As at 31-03-2025	Rupees in crores As at 31-03-2025
2	INVENTORIES		
	Stock in trade	3.42	33.15
		3.42	33.15
3	TRADE RECEIVABLES		
	Unsecured, considered good	1.16	11.22
	Less: Loss allowance	0.55	5.31
		0.61	5.91
4	CASH AND CASH EQUIVALENTS		
	Cash in hand	-	0.04
	Cash at bank	1.54	14.96
		1.54	15.00
5	OTHER CURRENT ASSETS		
	Vendor advance	1.57	15.24
	Prepaid expenses	0.12	1.14
	Trade deposits	0.21	2.06
		1.90	18.44
6	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	2,87,93,149 Ordinary shares of CHF 0.01 each	0.29	2.63
		0.29	2.63
7	OTHER EQUITY		
	Retained earnings	(8.79)	(79.01)
	Captal reserve	9.21	73.59
	Foreign currency translation reserve	0.08	10.38
		0.50	4.96
8	FINANCIAL LIABILITIES - BORROWINGS (NON CURRENT)		
	Unsecured		
	Term Loan from :		
	Bank	1.23	11.92
	Others	0.45	4.36
		1.68	16.28
9	FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
	Unsecured		
	Short term loans from others (Unsecured)	4.48	43.34
	Current maturity of LTB	0.30	2.91
		4.78	46.25

		CHF in Mn. As at 31-03-2024	Rupees in crores As at 31-03-2024
10	TRADE PAYABLES		
	Current		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	0.93	9.10
		0.93	9.10

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

11	OTHER FINANCIAL LIABILITIES		
	Interest accrued	0.09	0.88
		0.09	0.88
12	OTHER CURRENT LIABILITIES		
	Statutory dues	0.07	0.69
	Rental deposit	0.09	0.90
	Others	0.12	1.19
		0.28	2.78

		CHF in Mn. For the year ended 31-03-2025	Rupees in crores For the year ended 31-03-2025
13	REVENUE FROM OPERATIONS		
	Sale of Product	2.02	19.31
	Sale of service	0.28	2.63
	Other operating revenues	-	-
		2.30	21.94
14	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	1.90	18.14
	Contribution to provident and other funds	0.27	2.55
	Staff welfare expenses	0.06	0.59
		2.23	21.28
15	FINANCE COST		
	Finance cost	0.39	3.70
		0.39	3.70
16	DEPRECIATION		
	Depreciation on property plant and equipment	0.19	1.82
	Amortisation on intangible assets	0.25	2.38
		0.44	4.20
17	OTHER EXPENSES		
	(a) Rent	0.70	6.72
	(b) Other marketing expenses	0.45	4.32
	(c) Miscellaneous expenses	1.15	10.92
		2.30	21.96

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS — CHF in Mn.

Description	Property, Plant & Equipment					Other Intangible			
	Plant & equipments	Furniture and fixtures	Vehicles	Office equipment	Total	Software	Trade marks, patents, licences	Design Development	Total
Cost of assets									
Gross carrying value as at 01-04-2024	0.39	0.13	0.01	0.06	0.59	0.76	0.07	0.10	0.93
Additions during the year	0.08	-	-	-	0.08	0.13	-	-	0.13
Sub-total	0.47	0.13	0.01	0.06	0.67	0.89	0.07	0.10	1.06
Sales / deletion	-	-	-	-	-	-	-	-	-
Total	0.47	0.13	0.01	0.06	0.67	0.89	0.07	0.10	1.06
Depreciation / Amortisation									
Upto 31-03-2024	0.21	0.13	0.01	0.03	0.38	0.33	0.02	0.02	0.37
For the year	0.16	-	-	0.03	0.19	0.18	-	0.07	0.25
Sub-total	0.37	0.13	0.01	0.06	0.57	0.51	0.02	0.09	0.62
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-
Total	0.37	0.13	0.01	0.06	0.57	0.51	0.02	0.09	0.62
Carrying value									
As at 31-03-2025	0.10	-	-	-	0.10	0.38	0.05	0.00	0.43

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS — Rupees in crores

Description	Property, Plant & Equipment					Other Intangible			
	Plant & equipments	Furniture and fixtures	Vehicles	Office equipment	Total	Software	Trade marks, patents, licences	Design Development	Total
Cost of assets									
Gross carrying value as at 01-04-2024	3.59	1.20	0.09	0.55	5.43	6.99	0.64	0.87	8.50
Additions	0.77	-	-	-	0.77	1.26	-	-	1.26
Foreign Currency translation reserve difference	0.19	0.06	0.01	0.03	0.28	0.37	0.04	-	0.41
Sales / deletion	-	-	-	-	-	-	-	-	-
Sub-total	4.55	1.26	0.10	0.58	6.49	8.62	0.68	0.87	10.17
Total	4.55	1.26	0.10	0.58	6.49	8.62	0.68	0.87	10.17
Depreciation / Amortisation									
Upto 31-03-2024	1.93	1.20	0.09	0.28	3.50	3.04	0.19	0.18	3.41
For the year	1.53	-	-	0.29	1.81	1.72	-	0.67	2.38
Foreign Currency translation reserve difference	0.12	0.06	0.00	0.02	0.21	0.18	0.01	0.02	0.21
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-
Sub-total	3.58	1.26	0.10	0.58	5.52	4.94	0.20	0.87	6.01
Total	3.58	1.26	0.10	0.58	5.52	4.94	0.20	0.87	6.01
Carrying value									
As at 31-03-2025	0.98	-	-	-	0.98	3.68	0.47	(0.00)	4.15

REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report with the financial statements of the company for the year ended 31 March 2025.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of buying and selling of electric bikes.

REVIEW OF BUSINESS

EBCO provides mobility solutions through E-Bikes, across the Adventure, Urban and City bike segments. The Company offers quality products at affordable pricing through its network of retail partners.

During the year, TVS Motor (Singapore) Pte Limited acquired the remaining 30% stake in EBCO making it a wholly owned subsidiary.

The sales for FY 2025 are impacted by the overall market conditions and excess inventory in the industry.

With its actions on reducing inventory, the introduction of new products and adding retail partners, EBCO is well placed to capture additional market share in FY 2026.

DIRECTORS

S M Mishra has held office during the whole of the period from **1** April 2024 to the date of this report.

Other changes in directors holding office are as follows:

R Ramanathan - appointed 26 March 2025

D B Kataria - appointed 26 March 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and accounting estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R RAMANATHAN
Director
28th April 2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EBCO LIMITED

Opinion

We have audited the financial statements of EBCO Limited (the 'company') for the year ended 31 March 2025 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Repmting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or correctively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required *to* state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Ashfield BA FCA
(Senior Statutory Auditor) for and on behalf of H B & O Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 IXT
29 April 2025

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025	2024
		£	£
TURNOVER		**1,128,268**	635,011
Cost of sales		**1,509,943**	815,792
GROSS LOSS		**(381,675)**	(180,781)
Administrative expenses		**976,473**	987,371
		(1,358,148)	(1,168,152)
Other operating income		**16,636**	-
OPERATING LOSS	4	**(1,341,512)**	(1,168,152)
Interest payable and similar expenses		**252,448**	197,509
LOSS BEFORE TAXATION		**(1,593,960)**	(1,365,661)
Tax on loss		**-**	-
LOSS FOR THE FINANCIAL YEAR		**(1,593,960)**	(1,365,661)

BALANCE SHEET AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS					
Intangible assets	5		**44,270**		59,954
Tangible assets	6		**5,715**		11,026
			49,985		70,980
CURRENT ASSETS					
Stocks	7	**1,284,230**		2,769,582	
Debtors	8	**408,175**		329,146	
Cash in hand		**250**		-	
		1,692,655		3,098,728	
CREDITORS					
Amounts falling due within one year	9	**1,913,683**		5,586,791	
NET CURRENT LIABILITIES			**(221,028)**		(2,488,063)
TOTAL ASSETS LESS CURRENT LIABILITIES			**(171,043)**		(2,417,083)
CAPITAL AND RESERVES					
Called up share capital	11		**2,020**		100
Share premium	12		**4,058,050**		219,970
Retained earnings	12		**(4,231,113)**		(2,637,153)
			(171,043)		(2,417,083)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 28 April 2025 and were signed on its behalf by:

R. Ramanathan
Director
Company Registration No. 07176978

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 STATUTORY INFORMATION

EBCO Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling(£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

Going concern

The company has made significant losses in the current financial year as it has been investing in advertising and additional staffing costs to accommodate future sales of a new bike range that is due to be launched. At the balance sheet date the company had net current liabilities of £221,028 (2024 - £2,488,063) and total net liabilities of £171,043 (2024-£2,417,083).

Management have prepared cashflow forecasts and undertaken a review of the future financing requirements on the basis of both the expected further investment required into the next financial year as well as for ongoing operations of the company. Management are satisfied that sufficient cash facilities have been secured from its bankers and from the parent company to meet its working capital requirements for at least 12 months following the date of approval of these financial statements.

The parent company has expressed its willingness to continue to support the company with working capital as and when required. The directors and shareholders are therefore both confident that the company has adequate resources and working capital to continue in operational existence for the foreseeable future to meet its ongoing liabilities.

The financial statements have therefore been prepared on the going concern basis.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Goodwill

Goodwill is the difference between amounts paid on the acquisition of the trade and assets of a business and the fair value of the identifiable assets and liabilities acquired. For each acquisition, its goodwill is amortised to the profit and loss account over its estimated economic life of five years.

Intangible assets

Intangible assets are recognised at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the initial cost can be measured reliably.

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Website, trademarks, and branding are being amortised evenly over their estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant & machinery - 15% on reducing balance

Fixtures & fittings - 33% on cost

Office equipment - 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Goods in transit

Amounts are recognised as part of goods in transit when the risks and rewards of the stock have transferred and the goods have been shipped but not yet delivered.

At each reporting date, an assessment is made for stock impairment and obsolescence as well as estimated warranty provisions:

Impairment

Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit and loss. Reversals of impairment losses are also recognised in profit or loss.

Warranty provisions

A provision of estimated future parts to be supplied under the standard two year bike warranties will be made at the reporting date each year, based upon a percentage of sales. Any such warranty provision will be recognised as such in profit and loss. Reversals of warranty provisions are also recognised in profit or loss.

Stock obsolescence provisions

At each balance sheet date the directors assess stock for obsolescence, with any such provision being calculated based upon an estimate of the remaining life of the stock held at the balance sheet date. Any provision of stock obsolescence will be recognised in profit or loss.

Financial instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 8 (2024 - 10).

4. OPERATING LOSS

The operating loss is stated after charging:

	2025	2024
	£	£
Depreciation - owned assets	5,311	4,016
Goodwill amortisation	-	3,750
Website, trademarks and branding amortisation	15,684	14,624
Auditors' remuneration	11,000	9,000

5. INTANGIBLE FIXED ASSETS

	Goodwill	Website, trademarks and branding	Totals
	£	£	£
COST			
At 1 April 2024 and 31 March 2025	**25,000**	**114,412**	**139,412**
AMORTISATION			
At 1 April 2024	**25,000**	**54,458**	**79,458**
Amortisation for year	**-**	**15,684**	**15,684**
At 31 March 2025	**25,000**	**70,142**	**95,142**
NET BOOK VALUE			
At 31 March 2025	**-**	**44,270**	**44,270**
At 31 March 2024	-	59,954	59,954

6. TANGIBLE FIXED ASSETS

	Plant & machinery	Fixtures & fittings	Office equipment	Totals
	£	£	£	£
COST				
At 1 April 2024 and 31 March 2025	**15,000**	**3,064**	**19,135**	**37,199**
DEPRECIATION				
At 1 April 2024	**8,816**	**3,064**	**14,293**	**26,173**
Charge for year	**1,002**	**-**	**4,309**	**5,311**
At 31 March 2025	**9,818**	**3,064**	**18,602**	**31,484**
NET BOOK VALUE				
At 31 March 2025	**5,182**	**-**	**533**	**5,715**
At 31 March 2024	6,184	-	4,842	11,026

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

	2025	2024
	£	£
7. STOCKS		
Raw materials	18,044	22,986
Finished goods	1,266,186	2,746,596
	1,284,230	2,769,582
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade debtors	335,364	287,843
Other debtors	72,811	41,303
	408,175	329,146
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans and overdrafts	1,369,756	1,937,034
Trade creditors	335,185	243,686
Amounts owed to related parties	1,930	3,141,930
Taxation and social security	56,968	38,210
Other creditors	149,844	225,931
	1,913,683	5,586,791

During the year, the company ordered a shipment of e-bikes which were damaged in transit amounting to £105,764 and are subject to an insurance claim at the year end. The company is confident of receiving the full insurance payout and have provided against this invoice. The trade creditors have been reduced by a further £300,915 due to the company rejecting three shipments of e-bikes arising from quality issues. The bikes have been returned to the supplier and they believe they have no obligation to pay for them. A further £13,576 has been provided for relating to ancillary costs of receiving the faulty bikes that the company also expect to be refunded.

Amounts owed to related parties has reduced considerably during the year, due to a convertible debt upon issue of 1,920 Ordinary £1 shares, payable at a premium of £1,999 per share, with the debt being applied in paying up the shares in full, thus reducing the company of its liability to repay the debt to the equivalent value of £3,840,000.

10. SECURED DEBTS

The following secured debts are included within creditors:

Bank overdrafts	1,369,756	1,937,034
Invoice factoring	254,430	173,201
	1,624,186	2,110,235

The invoice factoring liability within trade creditors above, is secured by a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery.

11. CALLED UP SHARE CAPITAL

During the year, there was an allotment of 1,920 Ordinary £1 shares, paid at a premium of £1,999 per share. The shares were issued to the TVS Motor (Singapore) Pte Ltd and it was agreed that the issue of the shares will reduce the Company's liability to repay the debt to the parent company by £3,840,000. The debt shall be applied in paying up the shares which releases the company from its liability to repay the debt of the aforementioned value.

12. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2024	**(2,637,153)**	**219,970**	**(2,417,183)**
Deficit for the year	**(1,593,960)**	**-**	**(1,593,960)**
Cash share issue	**-**	**3,838,080**	**3,838,080**
At 31 March 2025	**(4,231,113)**	**4,058,050**	**(173,063)**

Retained earnings

Retained earnings represent cumulative retained profits and losses from incorporation.

Share premium

This balance represents the excess paid over the nominal value of the share capital of the company upon issuing the ordinary shares.

13. PENSION COMMITMENTS

The company operates defined contribution pension schemes in respect of certain employees. The schemes and their assets are held by independent managers. Contributions payable by the company to the pension scheme for the year amounted to £11,552 (2024 - £7,073).

The outstanding pension contributions due from the company and amounted to £2,000 (2024 - £2,140).

14. ULTIMATE CONTROLLING PARTY

During the year, TVS Motor (Singapore) Pte Ltd, acquired the remaining 30% shareholding in the company. At the balance sheet date the company was 100% owned by TVS Motor (Singapore) Pte Ltd, a company incorporated in Singapore.

The ultimate parent company was TVS Motor Company Limited, a listed company incorporated in India. This company is the parent of the smallest group for which consolidated accounts are drawn up of which the company is a member. The registered office is Chaitanya No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai 600006, Tamil Nadu, India.

15. CONTROLLING INTERESTS

The directors are considered to be the ultimate controlling parties by virtue of their ability to act in concert in respect of the financial and operating policies of the company.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

	2025		2024	
	£	£	£	£
Sales		**1,128,268**		635,011
Cost of sales				
Opening stock	**2,769,583**		805,610	
Purchases	**13,573**		2,741,610	
Foreign exchange losses	**11,017**		38,155	
	2,794,173		3,585,375	
Closing stock	**(1,284,230)**		(2,769,583)	
		1,509,943		815,792
GROSS LOSS		**(381,675)**		(180,781)
Other income				
Sundry receipts		**16,636**		**-**
		(365,039)		(180,781)
Expenditure				
Wages	**500,776**			
Social security	**63,608**		51,618	
Pensions	**11,552**		7,073	
Rent	**93,393**		42,349	
Rates and water	**7,058**		7,522	
Insurance	**60,095**		51,944	
Light and heat	**65**		6,366	
Telephone	**3,065**		5,246	
Post and stationery	**2,536**		1,537	
Travelling	**60,540**		78,886	
Motor expenses	**20,563**		24,407	
Repairs and renewals	**426**		1,140	
Factoring charges	**28,308**		18,608	
Computer costs	**6,229**		4,934	
Sundry expenses	**3,911**		11,778	
Accountancy	**11,390**		17,695	
Subscriptions	**1,590**		10,657	
Late payment penalties	**125**		**-**	
Legal and professional fees	**6,308**		8,688	
Marketing consultancy	**-**		14,823	
Auditors' remuneration	**11,000**		9,000	
Amortisation of intangible fixed assets	**-**		3,750	
Goodwill				
Website, trademarks and branding	**15,684**		14,624	
Advertising	**55,637**		78,312	
Entertainment	**357**		174	
Bad debts	**-**	-	9,961	
Carried forward	**964,216**	**(365,039)**	984,900	(180,781)

This page does not form part of the statutory financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2025 (Continued)

	2025		2024	
	£	£	£	£
Brought forward	**964,216**	**(365,039)**	984,900	(180,781)
		964,216		984,900
		(1,329,255)		(1,165,681)
Finance costs				
Bank charges	**6,260**		2,932	
Credit card	**686**		523	
Bank interest	**144,731**		110,651	
Other interest	**107,717**		86,858	
		259,394		200,964
		(1,588,649)		(1,366,645)
Depreciation				
Plant and machinery	**1,002**		1,103	
Computer equipment	**4,309**		2,913	
		5,311		4,016
		(1,593,960)		(1,370,661)
Profit on disposal of fixed assets				
Motor vehicles		**-**		5,000
NET LOSS		**(1,593,960)**		(1,365,661)

RE-STATED ACCOUNTS OF
EBCO LIMITED

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	GBP in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	0.01	0.06
Capital work-in-progress		-	-
Intangible assets	1	0.04	0.49
Deferred tax Assets		-	-
		0.05	0.55
Current assets			
Inventories	2	1.29	14.22
Financial assets			
Trade receivables	3	0.34	3.71
Cash and cash equivalents		-	-
Other financial assets		-	-
Other current assets	4	0.07	0.81
		1.70	18.74
Total Assets		1.75	19.29
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	-	0.02
Other equity	6	(0.17)	(1.91)
		(0.17)	(1.89)
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Borrowing		-	-
(ii) Lease liability		-	-
Provisions		-	-
		-	-
Current liabilities			
Financial liabilities			
(i) Borrowing	7	1.37	15.18
(ii) Lease liability		-	-
(iii) Trade payables	8		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (iii) (a) above		0.37	4.05
Other current liabilities	9	0.18	1.95
		1.92	21.18
Total liabilities		1.92	21.18
Total equity and liabilities		1.75	19.29

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

		Notes	GBP in Mn.	Rupees in crores
I	Revenue from operations	10	1.13	12.17
II	Other income	11	0.02	0.18
III	Total Income (I +II)		1.15	12.35
IV	Expenses:			
	Purchases of stock-in-trade		0.03	1.41
	Changes in inventories of Stock-in -trade		1.48	14.87
	Employee benefits expense	12	0.57	6.21
	Finance costs	13	0.25	2.72
	Depreciation and amortisation expense	14	0.03	0.23
	Other expenses	15	0.38	4.09
			2.74	29.53
V	Profit before exceptional items (III - IV)		(1.59)	(17.18)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(1.59)	(17.18)
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(1.59)	(17.18)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	(2.85)
			-	(2.85)
XI	Total Comprehensive Income (IX + X)		(1.59)	(20.03)
XII	Earnings per equity share (Face value of GBP 1/- each)			
	Basic & Diluted earnings per share (in GBP/ in rupees)		(787.13)	(85,049.50)

Notes on Accounts

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS — GBP in Mn.

Description	Property, Plant & Equipment			Intangible Assets		
	Plant & equipments	Office Equipment	Total	Website	Trade marks	Total
	1	2	3	4	5	6
Cost of assets						
Gross carrying value as at 01-04-2024	0.02	0.02	0.04	0.09	0.01	0.11
Additions	-	-	-	-	-	-
Sub-total	0.02	0.02	0.04	0.09	0.01	0.11
Sales / deletion	-	-	-	-	-	-
Total	0.02	0.02	0.04	0.09	0.01	0.11
Depreciation / Amortisation						
Upto 31-03-2024	0.01	0.01	0.03	0.04	0.01	0.05
For the year	0.00	0.00	0.01	0.01	0.00	0.02
Sub-total	0.01	0.02	0.04	0.05	0.01	0.06
Withdrawn on assets sold / deleted	-	-	-	-	-	-
Total	0.01	0.02	0.04	0.05	0.01	0.06
Carrying value						
As at 31-03-2025	0.01	0.00	0.01	0.04	0.00	0.04

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS - (continued) — Rupees in crores

Description	Property, Plant & Equipment			Intangible Assets		
	Plant & equipments	Office Equipment	Total	Website	Trade marks	Total
	1	2	3	4	5	6
Cost of assets						
Gross carrying value as at 01-04-2024	0.16	0.20	0.41	0.97	0.15	1.11
Additions	-	-	0.05	-	-	-
Foreign Currency translation reserve difference	0.01	0.01	0.02	0.05	0.01	0.06
Sales / deletion	-	-	-	-	-	-
Sub-total	0.17	0.21	0.48	1.02	0.15	1.17
Total	0.17	0.21	0.48	1.02	0.15	1.17
Depreciation / Amortisation						
Upto 31-03-2024	0.09	0.15	0.35	0.40	0.09	0.48
For the year	0.01	0.05	0.06	0.15	0.02	0.17
Foreign Currency translation reserve difference	0.01	0.01	0.01	0.03	0.01	0.03
Withdrawn on assets sold / deleted	-	-		-	-	-
Sub-total	0.11	0.21	0.42	0.57	0.11	0.68
Total	0.11	0.21	0.42	0.57	0.11	0.68
Carrying value						
As at 31-03-2025	0.06	0.01	0.06	0.45	0.04	0.49

Notes on accounts - *(continued)*

	As at 31-03-2025	
	GBP in Mn.	Rupees in crores
2 INVENTORIES		
Stock in trade	1.29	14.22
	1.29	14.22
3 TRADE RECEIVABLES		
Unsecured, considered good	0.34	3.71
	0.34	3.71
4 OTHER CURRENT ASSETS		
Trade Deposits	0.07	0.81
	0.07	0.81
5 EQUITY SHARE CAPITAL		
Issued, subscribed and fully paid up:		
2020 Ordinary shares of GBP 1 each	-	0.02
	-	0.02
6 OTHER EQUITY		
Retained earnings	(4.23)	(43.87)
Captal reserve	4.06	45.30
Foreign currency translation reserve	-	(3.34)
	(0.17)	(1.91)
7 FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
Unsecured		
Borrowings repayable on demand from banks:	1.37	15.16
Current Maturities of long term borrowings:	-	0.02
	1.37	15.18
8 TRADE PAYABLES		
Dues to Micro and Small Enterprises**	-	-
Dues to enterprises other than Micro and Small Enterprises	0.37	4.05
	0.37	4.05

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

9 OTHER CURRENT LIABILITIES		
Taxation & Social Security	0.06	0.63
Advance from customers	0.10	1.13
Others	0.02	0.19
	0.18	1.95

	For the Year Ended 31-03-2025	
	GBP in Mn.	Rupees in crores
10 REVENUE FROM OPERATIONS		
Sale of Product	1.13	12.17
	1.13	12.17
11 OTHER INCOME		
Other non operating income	0.02	0.18
	0.02	0.18
12 EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	0.50	5.40
Pension Cost	0.01	0.12
Social Security Cost	0.06	0.69
	0.57	6.21
13 FINANCE COST		
Finance cost - Others	0.11	1.16
Finance cost	0.14	1.56
	0.25	2.72
14 DEPRECIATION		
Depreciation on property plant and equipment	0.01	0.06
Amortisation on intangible assets	0.02	0.17
	0.03	0.23
15 OTHER EXPENSES		
(a) Audit Fees	0.01	0.12
(b) Bank Charges	0.01	0.07
(c) Rates and Taxes	0.01	0.08
(d) Rent	0.09	1.01
(e) Insurance	0.06	0.65
(f) Advertisement and Publicity	0.06	0.60
(g) Miscellaneous expenses	0.14	1.56
	0.38	4.09

Consolidated income statement
in TCHF

	Notes	2024	2023
Net sales from goods and services	1	56'862	67'540
Other income		465	235
Total income		**57'327**	**67'775**
Manufacturing costs / cost of goods		-45'820	-53'834
Gross Profit		**11'507**	**13'941**
Personnel expenses	**2**	-16'835	-19'490
Rental expenses		-4'532	-4'046
Logistics expenses		-2'634	-1 '471
Marketing expenses		-3'716	-3'800
Other operating expenses	**3**	-5'331	-5'970
EBITDA		**-21'541**	**-20'836**
Depreciation on tangible fixed assets	**9**	-1'545	-976
Amortization of intangible assets	**10**	-3'079	-3'142
Profit from disposal of property, plant and equipment		-2	3
EBIT		**-26'167**	**-24'951**
Financial result	**4**	-2'743	-2'418
Ordinary result		**-28'910**	**-27'369**
Extraordinary result	**14**	-158	0
EBT		**-29'068**	**-27'369**
Income taxes	**5**	-14	-741
Net result		**-29'082**	**-28'110**

Consolidated balance sheet
in TCHF

Assets	Notes	31.12.2024	31.12.2023
Cash and cash equivalents		6'119	1'882
Trade receivables	**6**	2'487	6'015
Other current receivables	**7**	1'504	3'222
Prepayments to vendors		2'716	3'746
Inventories	**8**	24'056	35'309
Accrued income and prepaid expenses		870	370
Current assets		**37'752**	**50'544**
Property, plant and equipment	**9**	5'488	5'486
Intangible assets	**10**	12'635	11'742
Deferred tax assets	**5**	3'940	3'940
Non-current assets		**22'063**	**21'168**
Total assets		**59'815**	**71'712**
Liabilities and shareholder's equity			
Current financial liabilities	**12**	200	200
Trade paybles		4'880	5'353
Prepayments from clients		520	1'563
Other current liabilities	**11**	1'270	2'625
Accrued liabilities and deferred income		2'115	1'706
Current liabilities		**8'985**	**11'447**
Non-current financial liabilities	**12**	41'200	82'000
Other liabilities		18	19
Non-current liabilities		**41'218**	**82'019**
Total Liabilities		**50'203**	**93'466**
Share capital		270	153
Capital reserves		70'630	10'238
Retained earnings, accumulated losses		-61'288	-32'145
Equity		**9'613**	**-21'754**
Total liabilities and equity		**59'815**	**71'712**

Consolidated cash flow statement

in TCHF

	Notes	2024	2023
Net profit		**-29'082**	**-28'110**
Depreciation and amortization	**9, 10**	4'624	4'118
Income tax expenses	**5**	14	741
Other non-cash adjustments		-113	552
Profit from disposal of property, plant and equipment		2	-3
Cash flow before changes in net working capital and provisions		**-24'555**	**22'702**
Change in trade receivables		3'530	-3'911
Change in inventories		11'309	-5'043
Change in other current receivables, prepayments and accrued income		2'254	-977
Change current liabilities		-2'488	-8'290
Change of other non-current liabilities		-1	12
Paid income taxes (net)		-14	-158
Operating cash flow		**-9'965**	**-41'069**
Investment in property, plant and egujpment	**9,10**	-6'012	-5'094
Inflows from disposal of tangible and intangible assets	**9,10**	504	23
Acquisitions	**15**	0	-1'004
Cash flow from investing activities		**-5'508**	**-6'075**
Issuance/repayment of short-term financial liabilities		0	-20'680
Issuance/repayment of long-term financial liabilities		19'709	66'650
Cash flow from financing activities		**19'709**	**45'970**
Total cash flow		**4'236**	**-1'174**
Cash and cash equivalents at the beginning of the period		**1'882**	**3'065**
Total cash flow		4'236	-1'174
Currency translation effect on cash		1	-9
Cash and cash equivalents at the end of the period		**6'119**	**1'882**
Paid interest (included in cash flow from operating activities)		-2'235	-2'189
Received interest (included in cash flow from operating activities)		3	66

Consolidated balance sheet
in TCHF

	Share capital*	Capital reserves	Treasury shares	Retained earnings, accumulated losses			Equity
				Profit/losses carried forward	Accumulated translation differences	**Total**	
01.01.2023	**153**	**10'238**	**0**	-4'534	154	**-4'380**	**6'011**
Net result				-28'110		-28'110	**-28'110**
Currency translation differences				345	345	**345**	**345**
31.12.2023	**153**	**10'2380**	**0**	-32 '644	499	**-32'145**	**-21'754**
Net result				-29'082		-29'082	**-29'082**
Capital increase	117	60'392				**60'509**	
Currency translation differences				9	-70	-61	**-61**
31.12.2024	**270**	**70'630**	**0**	-61'717	430	**-61'288**	**9'613**
Total non-distributable statutory or legal reserves							**365**
* The share capital is divided into 269'831 registered shares of CHF 1.00							

Principles of consolidation

General information

Swiss E-Mobility Group (Holding) AG ("SEMG") is an investment of TVS Motor (Singapore) Pte Limited. SEMG, as a comprehensive and market-leading provider of E-Mobility solutions in the e-bike segment, maintains in Switzerland, in addition to a strong B2B business, more than 30 POS under the name m-way, which represent the B2C part of SEMG. In the e-commerce business, SEMG is represented by its German and Austria subsidiary Colag E-Mobility GmbH and Swiss E-Mobility Group (Österreich) GmbH, respectively, thus acts as a comprehensive omni-channel provider for e-bike products in the market.

SEMG is a stock corporation incorporated and domiciled in Switzerland. The registered office is in Zurich.

Accounting principles

The consolidated financial statements are based on the financial statements of SEMG and its subsidiaries as of December 31, 2024, and prepared in accordance with uniform accounting principles.

The Group prepares its accounts in compliance with all existing guidelines of Swiss GAAP FER (Swiss Accounting and Reporting Recommendations) and the provisions of Swiss law.

Valuation is based on historical cost (acquisition cost or production cost) or actual value. The section "Principles of valuation" contains the valuation of principles of specific balance sheet items. The income statement is presented using the classification of expenses based on their nature. The consolidated financial statements are based on economic values and present a true and fair view of the company's assets, financial position, and results of operations. They are prepared under the assumption of a going concern.

The consolidated financial statements are presented in Swiss francs (CHF). Except where stated otherwise, all amounts in the financial report are presented in thousands of Swiss francs.

Accounting estimates and judgements

The preparation of consolidated financial statements in conformity with Swiss GAAP FER requires the use of certain accounting estimates and judgments which have an impact on the assets and liabilities, income and expenses reported, as well as the disclosure of contingent liabilities. These estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations and assessments of future events that are assumed to be reasonable under the given circumstances. Real results may differ from these estimates.

Management continuously reviews and, if necessary, adapts the estimates and underlying assumptions. Any changes are recognized in the period in which the estimate is revised.

Scope of consolidation

The consolidated financial statements include the financial statements of SEMG and the Group companies in which SEMG directly or indirectly holds more than 50% of the voting rights or exercises control by contractual agreement (control principle). The companies included in consolidation are listed in Note 20 to the consolidated financial statements.

Changes in scope of consolidation

... in the year under review (2024)

The scope of consolidation is unchanged from the previous year.

in the previous year (2023)

In September 2023, SEMG started its operation in Austria by setting up company Swiss E-Mobility Group (Österreich) GmbH as part of our expansion plan in DACH region.

Consolidation method

Capital consolidation is performed using the Anglo- Saxon purchase method. Assets and liabilities as well as income and expenses of the fully consolidated companies are recognized at 100%. Minority interests in the consolidated equity and in the results of operations are disclosed separately.

Companies and businesses acquired during the year are revalued as at the date of acquisition in accordance with uniform Group principles and consolidated as of this date. Any goodwill remaining after such revaluation (difference between the purchase price and the Group's share of the equity reported) is capitalized and amortized over the useful life of generally ten years. Badwill (negative goodwill) is reversed over a period depending on the economic reasons for its occurrence. Companies sold during the year are excluded from the consolidated financial statements from the date of sale.

Translation of foreign currencies

Foreign currency transactions in Group companies

The foreign currency transactions and items contained in the individual financial statements of the consolidated companies are translated as follows: foreign currency transactions are translated into the functional currency at the exchange rate valid on the transaction date (current rate). At year-end, monetary assets and liabilities in foreign currency are measured using the exchange rate valid at the balance sheet date, with any profit or loss from such valuation taken to the income statement. Foreign exchange gains and losses resulting from the measurement of intercompany loans that are part of the net investment in a subsidiary are recognised in equity.

Exchange differences resulting from the revaluation of shares in associates are recognised in equity.

Translation of financial statements to be consolidated

Group financial statements are presented in Swiss francs. Assets and liabilities of Group companies with a functional currency other than the Swiss franc are translated at year-end rates (rates on balance sheet date); equity is translated at historical rates, while the income statement and cash flow statement are translated using average rates for the year. Any resulting differences are recognised in shareholders' equity.

Accumulated exchange differences of foreign companies recognised in equity, resulting from the translation of annual statements and loans between Group companies that are part of the net investment in a subsidiary, are derecognised upon sale of the company and repatriated in the income statement as part of the gain or loss resulting from the sale.

Year-end rates in CHF

	31.12.24	31.12.23
1 EUR	0.9412	0.9260

Annual average rates in CHF

	2024	2023
1 EUR	0.9526	0.9714

Debt consolidation, intercompany sales and intercompany profits

All intercompany transactions and transactions between consolidated companies are mutually offset and eliminated. Intercompany profits on intercompany transactions are eliminated.

Cash flow statement

Cash and cash equivalents form the basis for the presentation of the cash flow statement.

Cash flow from operating activities is calculated using the indirect method.

Principles of valuation

Income statement

The consolidated income statement of Swiss E-Mobility Group (Holding) AG has been prepared using the nature of expense method. The revenues from sales and services are compared with the direct expenses.

Net sales and revenue recognition

Net sales represent amounts received and receivable for goods supplied and for services rendered. Revenue from the sale of goods is recognised in the income statement when the risks and rewards of ownership of the goods have been transferred to the buyer, generally upon shipment. Revenue from services is recognised in the period when the services were rendered. Net sales consist of the amounts invoiced for products and services less credits, deductions, and sales tax.

All intercompany sales are eliminated.

Income taxes

Taxes on the current income of companies included in the consolidation are calculated based on local tax rates.

Impairment

The value of non-current assets is assessed on the reporting date for indicators of impairment. If there is evidence of any lasting reduction in value, the recoverable amount is calculated (impairment

test). If the book value exceeds the recoverable amount, the difference is recognised in the income statement as an impairment charge. Major goodwill items are tested for impairment annually, based on a value-in-use calculation. The value-in-use calculation is based on cash flows for usually the next five years and the extrapolated values thereafter. Since the goodwill is already offset against retained earnings at the date of acquisition, any impairment to goodwill does not lead to a charge to the income statement, but only to disclosure in the notes.

Balance sheet - assets

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, postal giro and bank accounts, and short-term time deposits with a remaining term of less than three months. They are valued at nominal value.

Trade receivables

This item includes short-term receivables with a remaining term of generally up to one month from ordinary business activities. Receivables are recognized at nominal values. Allowance has been made for any value adjustments required for business reasons.

Inventories

Inventories are valued at the lower of cost or net realizable value. Discounts received are treated as reductions in acquisition cost. Appropriate allowance has been made for any value adjustments required for business reasons. Cost includes all directly attributable material and production costs. Acquisition costs are determined using the weighted average cost method.

Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation. Own work is only capitalized if it is clearly identifiable and the costs can be reliably determined, and if it provides the company with a measurable benefit over several years.

Depreciation is calculated on a straight-line basis over the useful life of the asset. This was determined as follows:

Machinery/technical equipment:	5-10 years
Vehicles:	3-5 years
Furniture and fittings:	5 years
IT hardware	3-5 years

Financial assets

In addition to non-consolidated participations, financial assets also include securities and long-term loans held with the intention of permanent investment. Listed and over-the-counter securities are valued at the lower of cost or market value at the balance sheet date. Securities without market value and loans are valued at acquisition cost less economically necessary value adjustments.

Intangible assets

This item includes licences and IT software as well as goodwill from acquisitions. Intangible assets are capitalised if they are clearly identifiable, and the costs can be reliably determined and if they provide the company with a measurable benefit over several years. Intangible assets are valued at acquisition cost less economically necessary depreciation.

Depreciation is calculated on a straight-line basis. The useful life of licences and IT software is between three and five years. Goodwill from acquisitions is amortised over ten years (also see consolidation principles). The expected useful life of other intangible assets is determined on a case-by-case basis.

Balance sheet liabilities and equity

Liabilities

All liabilities in the Group are recorded at nominal value. Only liabilities that are due within one year are recognised in current liabilities.

Provisions

Provisions are recognised when there is a reasonable probable obligation as a result of a past event, the amount and/or timing of which is uncertain but can be estimated. The measurement of the provision is based on an estimate of the cash outflow to settle the obligation.

Badwill (negative Goodwill)

After the individual assets acquired have been adjusted and the necessary restructuring provisions have been created, badwill is deferred and reversed over time depending on the economic reasons for its occurrence. The costs incurred for the integration are taken into account in the reversal. The badwill is reported under provisions, depending on the planned reversal date under current or non-current.

Deferred taxes

The accrual of deferred income taxes is based on a balance sheet-oriented view and basically considers all future income tax effects. The calculation of deferred income taxes to be accrued annually is based on the future tax rate applicable to the respective taxable entity as at the balance sheet date.

A deferred tax asset for tax loss carry-forwards is only recognised to the extent that it is probable that future profits will be available against which the tax loss carry-forwards can be utilised.

Derivative financial instruments

Derivate financial instruments are used to hedge currency risks. They are recognised in the balance sheet if they meet the definition of an asset or liability. Instruments used to hedge future cash flows are not recognised in the balance sheet. They are disclosed in the notes.

Employee benefit obligations

Employees and former employees receive various employee benefits and retirement pensions, which are paid in accordance with the legal provisions of the respective countries. Since 2021, a new insurance solution has been in place in which protects capital. As of 31 December 2024, it is adequately covered. Financing is provided by regular employer and employee contributions.

Regarding the application of Swiss GAAP FER 16 “Pension liabilities”, please refer to note 13 in the notes to the consolidated financial statements.

Leasing

A distinction is made between finance leases and operating leases. A finance lease exists when substantially all the risks and rewards incidental to ownership of an asset are transferred. Assets and liabilities from finance leases are recognised in the balance sheet. Currently, no contracts qualify as finance leases.

Lease obligations from operating leases that cannot be terminated within one year are disclosed in note 16 to the consolidated financial statements.

Contingent liabilities

Contingent liabilities are valued on the balance sheet date. If an outflow of resources is probable without a usable inflow of resources, a provision is made.

Erläuterungen zur Konzernrechnung
in TCHF

1 Net sales from goods and services

	2024	2023
Trading income E-bikes & bicycles	55,185	66,423
Other trading income	51	53
Service income	2,247	2,360
Reduction of income	-621	-1,296
Net sales from goods and services	**56,862**	**67,540**

2 Personnel expenses

In the current year, no short-time compensation has been received. In the previous year, short-time work compensation in the amount of TCHF 91 was recognised as a reduction in personnel expenses.

3 Other operative expenses

	2024	2023
Maintenance and repair	-391	-284
Duties, fees, permits, taxes	-170	-133
Administration expenses	-3,205	-2,086
IT expenses	-1,529	-2,047
Research and development	-165	-107
Energy and consumables	-283	-205
Exchange differences	437	-947
Other	-25	-161
Total	**-5,331**	**-5,970**

4 Financial result

	2024	2023
Financial income	3	65
Total financial income	**3**	**65**
Interest expenses	-2,235	-2,189
Other financial expenses	-511	-294
Total financial expenses	**-2,746**	**-2,483**
Net financial result	**-2,743**	**-2,418**

5 Income taxes

	2024	2023
Current income tax expenses	-14	-86
Deferred tax income/(expenses)	0	-655
Total	**-14**	**-741**
Mathematically weighted average tax rate	0.0%	-2.7%

Deferred tax assets / deferred tax liabilities

	31-12-2024	31-12-2023
Deferred income tax asset for unused loss carryforwards	3,940	4,595
Deferred tax liabilities on valuation differences	0	-655
Net deferred tax assets	**3,940**	**3,940**

6 Trade receivables

	31-12-2024	31-12-2023
Trade receivables, nominal	2,525	6,053
Allowance for doubtful accounts	-38	-38
Trade receivables, net	**2,487**	**6,015**

7 Other current receivables

	31-12-2024	31-12-2023
Claims against government agencies	72	520
Transfer account	-39	50
Other current receivables	1,471	2,652
Total	**1,504**	**3,222**

8 Inventories

As of 31 December 2024, the Group has inventories worth CHF 24.1m (CHF 35.1m as of 31 December 2023). CHF 21.3 or almost 88% of the total inventory is in Switzerland (as of 31 December 2023: CHF 32.2, around 91%). The remaining inventory is held by the German company Colag E-Mobility GmbH and Swiss E-Mobility Group (Österreich) GmbH.

9 Property, plant and equipment

	Machinery and technical equipment	Assets under construction	Furniture and fittings	Vehicles	Total
Historical cost, 31.12.22	**6,319**	**0**	**4,405**	**169**	**10,893**
Additions	2,377	1,221	627	0	4,225
Disposals	0	0	0	-40	-40
Reclassifications	35	0	9	0	44
Currency translation differences	-52	0	-9	-2	-63
Historical cost, 31.12.23	**8,679**	**1,221**	**5,032**	**127**	**15,059**
Additions	1,172	0	2,087	0	3,259
Disposals	-3,979	0	-4,001	-27	-8,007
Reclassifications	0	-1,221	0	0	-1,221
Currency translation differences	17	0	-4	1	14
Historical cost, 31.12.24	**5,889**	**0**	**3,114**	**101**	**9,104**
Accum. depreciation, 31.12.22	**-4,354**	**0**	**-4,121**	**-104**	**-8,579**
Depreciations	-834	0	-124	-18	-976
Disposals	0	0	0	20	20
Reclassifications	-35	0	-9	0	-44
Currency translation differences	1	0	4	1	**6**
Accum. depreciation, 31.12.23	**-5,222**	**0**	**-4,250**	**-101**	**-9,573**
Depreciations	-1,021	0	-512	-13	-1,546
Disposals	3,545	0	3,929	27	7,501
Reclassifications	0	0	0	0	0
Currency translation differences	2	0	0	0	2
Accum. Depreciation, 31.12.24	**-2,696**	**0**	**-833**	**-87**	**-3,616**
Net book value, 31.12.2022	1,965	0	284	65	2,314
Net book value, 31.12.2023	3,457	1,221	782	26	5,486
Net book value, 31.12.2024	**3,193**	**0**	**2,281**	**14**	**5,488**

10 Intangible assets

	Software	Trade marks, patents, licences	Development costs	Assets under construction	Goodwill	Total
Historical cost, 31.12.22	**5,383**	**861**	**287**	**0**	**18,555**	**25,086**
Additions	741	127	0	0	0	868
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Currency translation differences	0	0	-8	0	0	-8
Historical cost, 31.12.23	**6,124**	**988**	**279**	**0**	**18,555**	**25,946**
Additions	1,062	82	0	1,609	0	2,753
Disposals	-1,632	-578	0	0	0	-2,210
Reclassifications	0	0	-279	1,500	0	1,221
Currency translation differences	-1	-1	0	2	0	0
Historical cost, 31.12.24	**5,553**	**491**	**0**	**3,111**	**18,555**	**27,710**
Accum. amortisations, 31.12.2022	**-3,435**	**-836**	**-278**	**0**	**-6,520**	**-11,069**
Amortisations	-1,234	-44	-8	0	-1,855	-3,141
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Currency translation differences	0	0	7	0	-1	6
Accum. amortisations, 31.12.2023	**-4,669**	**-880**	**-279**	**0**	**-8,376**	**-14,204**
Amortisations	-1,157	-67	0	0	-1,855	-3,079
Disposals	1,632	578	0	0	0	2,210
Reclassifications	0	0	279	-279	0	0
Currency translation differences	0	0	0	-2	0	-2
Accum. amortisations, 31.12.2024	**-4,194**	**-369**	**0**	**-281**	**-10,231**	**-15,075**
Net book value, 31.12.2022	1,948	25	9	0	12,035	14,017
Net book value, 31.12.2023	1,455	108	0	0	10,179	11,742
Net book value, 31.12.2024	**1,359**	**122**	**0**	**2,830**	**8,324**	**12,635**

11 Other current liabilities

	31-12-2024	31-12-2023
Other liabilities to government agencies	0	14
Liabilities from employee benefits	1,214	2426
Other current liabilities third parties	56	185
Total	**1,270**	**2,625**

12 Financial liabilities

31-12-2024

	Residual terms up to 1 year	Residual terms 1 to 5 years	Residual terms over 5 years	**Total**
Bank loans	0	40,000	0	40,000
Covid19-loans	200	1,200	0	1,400
Shareholder loans	0	0	0	0
Total	**200**	**41,200**	**0**	**41,400**

Current financial liabilities	**200**
Non-current financial liabilities	**41,200**

31-12-2023

	Residual terms up to 1 year	Residual terms 1 to 5 years	Residual terms over 5 years	**Total**
Bank loans [1]	0	46,000	0	46,000
Covid19-loans [2]	200	1,400	0	1,600
Shareholder loans	0	34,600	0	34,600
Total	**200**	**82,000**	**0**	**82,200**

Current financial liabilities	**200**
Non-current financial liabilities	**82,000**

[1] Joint guarantee given to Credit Suisse (Schweiz) AG was dissolved in 2023 with repayment of the related loan and a new guarantee was issued to DBS bank for loan facility of CHF 30000'000.

[2] Swiss E-Mobility Group (Schweiz) AG received a Covid-19 loan of initially TCHF 2'000 as part of the 2nd allocation round of the COVID-19 hardship programme of the Canton of Zurich. These amounts are subject to the restrictions under the COVID-19 Act and the Hardship Case Ordinance.

13 Employee benefit schemes

Economic benefit/economic obligation and pension expenses	Excess/ insufficient cover as per Swiss GAAP FER 26	Economic benefit/ obligation for the company		Change vs. previous year or taken to the income statement in the FY	Contributions limited to the period	Pension expenses in personnel expenses	
	31-12-24	**31-12-24**	31-12-23			**2024**	2023
Pension schemes with excess cover	-	-	-	-	-681	-681	-789
Total	**-**	**-**	**-**	**-**	**-681**	**-681**	**-789**

14 Extraordinary result

	2024	**2023**
Payment from an insured event	-140	0
Other extraordinary expenses	-18	0
Total	**-158**	**0**

15 Acquisitions

	2024	2023
Cash and cash equivalents	0	0
Trade receivables	0	0
Other current receivables	0	0
Inventories	0	0
Accrued income and prepaid expenses	0	0
Property, plant and equipment	0	0
Prepayments from clients	0	0
Other current liabilities	0	0
Accrued liabilities and deferred income	0	0
Deferred tax liabilities	0	0
Total net assets acquired	**0**	**0**
Goodwill	0	0
Acquired cash	0	0
Remaining purchase price liability	0	0
Net cash outflow for acquisitions made in respective period	**0**	**0**
Settlement of purchase price liability	0	1,004
Net cash outflow for acquisitions made	**0**	**1,004**

As per share purchase agreement (SPA) entered with Alexand'Ro Edourard'O Passion Velo Särl in La Chaux-de Fonds, the final settlement was done in previous year for TCHF 1'004.

16. Derivative financial instruments

There are no open forward transaction as on 31 December 2024, as well as of 31 December 2023.

17 Off-balance sheet leasing/rental obligations

	31-12-2024	31-12-2023
up to 1 year	3,965	3,213
1 to 5 years	9,474	8,234
> 5 years	569	973
Total	**14,009**	**12,420**

18. Transactions with related parties

Business transactions with related parties are based on customary contractual forms and conditions. All transactions are included in the consolidated financial statements. Business transactions with related parties are based on arm's length conditions. All transactions are reported in the consolidated financial statements.

Transactions with shareholders	**31.12.2024**	**31.12.2023**
Sales	529	14
Purchase	541	785
Other income	18	59
Other operating expenses	278	48
Financial expenses	596	762
Total	**1'962**	**1'668**
Balance Sheet		
Loan from parent entity	0	34'600
Receivables	312	-
Paya bles	683	71
Accrued expenses and deferred income	596	908
Total	**1'591**	**35'579**

Entities considered for related party transactions are the following:

1. TVS Motor Company Limited, India - Holding company of Parent entity
2. TVS Motor (Singapore) Pte Limited - Parent entity
3. The Go Corporation AG - Held by same Parent entity
4. The Norton Motorcycle Co. Limited — Held by same Parent entity

19. Subsequent Events

The Board of Directors intends to perform for restructuring purposes a merger between the companies within the group. The merger is expected to take place by 30 June 2025.

From the balance sheet date, until the financial statements were approved by the Board of Directors on 15 April 2025, no other major events occurred, which could have adversely affected the validity of the consolidated financial statements for 2024 or which would have to be disclosed.

20 Summary of consolidated companies

Company	**Head office**	**Business activity**	**Capital**		**Capital share** (=voting share)	
			Currency	**Amount**	**31-12-24**	**31-12-23**
Swiss E-Mobility Group (Holding) AG	**Zürich, CH**	**Holding**	**CHF**	**2,69,831**		
Swiss E-Mobility Group (Schweiz) AG (formerly: m-way ag)	Zürich, CH	Trading	CHF	10,00,000	100%	100%
Colag E-Mobility GmbH	Nürnberg, DE	Trading	EUR	25,000	100%	100%
Alexand'Ro Edouard'O Passion Vélo Sàrl	La Chaux-de-Fonds, CH	Trading	CHF	20,000	100%	100%
Swiss E-Mobility Group (Österreich) GmbH	Wien, AT	Trading	EUR	35,000	100%	100%

RE-STATED ACCOUNTS OF
SEMG

SWISS E-MOBILITY GROUP (HOLDING) AG

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	'CHF in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	5.16	50.00
Capital work-in-progress		0.31	3.00
Goodwill		8.24	79.75
Other Intangible assets	1	4.07	39.38
Deferred tax Assets		3.94	38.15
		21.72	210.28
Current assets			
Inventories	2	32.00	309.84
Financial assets			
Trade receivables	3	3.29	31.87
Cash and cash equivalents	4	4.49	43.50
Other financial assets	5	0.69	6.72
Other current assets	6	3.20	31.01
		43.67	422.94
Total Assets		65.39	633.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	0.27	2.15
Other equity	8	2.97	29.21
		3.24	31.36
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Borrowing	9	1.00	9.68
(ii) Lease liability		-	-
Provisions		-	-
		1.00	9.68
Current liabilities			
Financial liabilities			
(i) Borrowing	10	50.70	490.98
(ii) Lease liability		-	-
(iii) Trade payables	11		
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (iii) (a) above		9.06	87.75
Other current liabilities	12	1.40	13.45
		61.16	592.18
Total liabilities		62.16	601.86
Total equity and liabilities		65.39	633.22

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

		Notes	'CHF in Mn.	Rupees in crores
I	Revenue from operations	13	52.48	500.58
II	Other income	14	0.61	5.82
III	Total Income (I +II)		53.09	506.40
IV	Expenses:			
	Purchases of stock-in-trade		36.33	365.23
	Changes in inventories of Stock-in -trade		10.21	78.68
	Employee benefits expense	15	17.11	163.28
	Finance costs	16	2.39	22.77
	Depreciation and amortisation expense	17	4.88	46.52
	Other expenses	18	18.39	175.50
			89.31	851.98
V	Profit before exceptional items (III - IV)		(36.22)	(345.58)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(36.22)	(345.58)
VIII	Tax expense			
	i) Current tax		0.67	6.35
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(36.89)	(351.93)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	(34.84)
			-	(34.84)
XI	Total Comprehensive Income (IX + X)		(36.89)	(386.77)
XII	Earnings per equity share (Face value of CHF 1/- each)			
	Basic & Diluted earnings per share (in CHF/ in rupees)		(136.72)	(1,304.26)

Notes on accounts - *(continued)*

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

CHF in Mn.

Description	Property, Plant & Equipment						Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Vehicles	Total	Software	Trade marks, patents, licences	Design Development	Total
	1	2	3	4	5	6	7	8	9	10
Cost of assets										
Gross carrying value as at 01-04-2024	-	-	4.40	1.54	0.10	6.04	4.54	0.24	0.07	4.85
Additions	-	-	1.06	1.63	-	2.69	0.14	-	2.85	2.99
Sub-total	-	-	5.46	3.17	0.10	8.73	4.68	0.24	2.92	7.84
Sales / deletion	-	-	-	-	-	-	-	-	-	-
Total	-	-	5.46	3.17	0.10	8.73	4.68	0.24	2.92	7.84
Depreciation / Amortisation										
Upto 31-03-2024	-	-	1.57	0.58	0.08	2.23	2.42	0.05	0.07	2.54
For the year	-	-	0.84	0.49	0.01	1.34	1.06	0.09	0.08	1.23
Sub-total	-	-	2.41	1.07	0.09	3.57	3.48	0.14	0.15	3.77
Withdrawn on assets sold / deleted	-		-	-	-	-	-			-
Total	-	-	2.41	1.07	0.09	3.57	3.48	0.14	0.15	3.77
Carrying value										
As at 31-03-2025	-	-	3.05	2.10	0.01	5.16	1.20	0.10	2.77	4.07

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS - (continued)

Rupees in crores

Description	Property, Plant & Equipment						Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Vehicles	Total	Software	Trade marks, patents, licences	Design Development	Total
	1	2	3	4	5	6	7	8	9	10
Cost of assets										
Gross carrying value as at 01-04-2024	-	-	40.47	14.17	0.92	55.56	41.79	2.21	0.64	44.64
Additions	-	-	10.27	15.78	-	26.05	1.36	-	27.60	28.96
Foreign Currency translation reserve difference	-	-	2.11	0.74	0.05	2.90	2.18	0.12	0.03	2.33
Sales / deletion	-	-	-	-	-	-	-	-	-	-
Sub-total	-	-	52.85	30.70	0.97	84.51	45.32	2.32	28.28	75.92
Total	-	-	52.85	30.70	0.97	84.51	45.32	2.32	28.28	75.92
Depreciation / Amortisation										
Upto 31-03-2024	-	-	14.45	5.34	0.74	20.52	22.30	0.46	0.64	23.41
For the year	-	-	8.01	4.67	0.10	12.78	10.11	0.86	0.76	11.73
Foreign Currency translation reserve difference	-	-	0.82	0.35	0.04	1.20	1.32	0.04	0.05	1.40
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-
Sub-total	-	-	23.28	10.36	0.87	34.51	33.73	1.36	1.45	36.54
Total	-	-	23.34	10.36	0.87	34.51	33.73	1.36	1.45	36.54
Carrying value										
As at 31-03-2025	-	-	29.51	20.34	0.10	50.00	11.59	0.97	26.82	39.38

Notes on accounts - *(continued)*

		'CHF in Mn.	Rupees in crores
		As at 31-03-2025	As at 31-03-2025
2	INVENTORIES		
	Stock in trade	32.00	309.84
		32.00	309.84
3	TRADE RECEIVABLES		
	Unsecured, considered good	3.29	31.87
		3.29	31.87
4	CASH AND CASH EQUIVALENTS		
	Balances with banks in current accounts	4.34	42.07
	Cash on hand	0.15	1.43
		4.49	43.50
5	FINANCIAL ASSETS - OTHERS (CURRENT)		
	Unsecured, considered good :		
	Claims receivable	0.69	6.72
		0.69	6.72
6	OTHER CURRENT ASSETS		
	Vendor advance	2.75	26.63
	Prepaid expenses	0.45	4.38
		3.20	31.01
7	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	269,831 Ordinary shares of CHF 1 each	0.27	2.15
		0.27	2.15
8	OTHER EQUITY		
	Retained earnings	(68.79)	(631.45)
	Captal reserve	71.76	681.08
	Foreign currency translation reserve	-	(20.42)
		2.97	29.21

		'CHF in Mn.	Rupees in crores
		As at 31-03-2025	As at 31-03-2025
9	FINANCIAL LIABILITIES - BORROWINGS (NON CURRENT)		
	Unsecured		
	Term Loan from :		
	Bank	-	-
	Others	1.00	9.68
		1.00	9.68
10	FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
	Unsecured		
	Borrowings repayable on demand from banks:	50.50	489.04
	Current Maturities of long term borrowings:	0.20	1.94
		50.70	490.98
11	TRADE PAYABLES		
	Dues to Micro and Small Enterprises**	-	-
	Dues to enterprises other than Micro and Small Enterprises	9.06	87.75
		9.06	87.75

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information received by the management.

12	OTHER CURRENT LIABILITIES		
	Statutory dues	0.16	1.50
	Advance from customers	0.86	8.28
	Employee related	0.35	3.38
	Others	0.03	0.29
		1.40	13.45

Notes on accounts - *(continued)*

		'CHF in Mn. For the Year ended 31-03-2025	Rupees in crores For the Year ended 31-03-2025
13	REVENUE FROM OPERATIONS		
	Sale of Product	49.33	470.55
	Sale of service	3.15	30.03
		52.48	500.58
14	OTHER INCOME		
	Other non operating income	0.61	5.82
		0.61	5.82
15	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	14.67	139.97
	Contribution to provident and other funds	2.30	21.99
	Staff welfare expenses	0.14	1.32
		17.11	163.28

		'CHF in Mn. For the Year ended 31-03-2025	Rupees in crores For the Year ended 31-03-2025
16	FINANCE COST		
	Interest	2.39	22.77
		2.39	22.77
17	DEPRECIATION		
	Depreciation on property plant and equipment	4.88	46.52
		4.88	46.52
18	OTHER EXPENSES		
	(a) Rent	4.87	46.49
	(b) Marketing expenses	3.90	37.23
	(c) Miscellaneous expenses	9.62	91.78
		18.39	175.50

Balance Sheet as at 31st March 2025

S No	Particulars	In AED As at 31-03-2025
I	**ASSETS**	
1	**Non-current assets**	
	Property, plant and equipment	18,14,31,429.30
	Capital work-in-progress	17,62,800.00
		18,31,94,229.30
2	**Current assets**	
	Financial assets	
	i. Cash and cash equivalents	72,03,758.89
	II. Other financial assets	40,000.00
		72,43,758.89
	Total assets	**19,04,37,988.19**
II	**EQUITY AND LIABILITIES**	
1	**Equity**	
	Equity share capital	9,20,00,000.00
	Other equity	(22,61,961.81)
		8,97,38,038.19
2	**Liabilities**	
	Non-current liabilities	
	Financial liabilities	
	i.Borrowings	9,91,57,500.00
		9,91,57,500.00
3	**Current liabilities**	
	Financial liabilities	
	i. Other financial liabilities	15,42,450.00
		15,42,450.00
	Total liabilities	10,06,99,950.00
	Total equity and liabilities	**19,04,37,988.19**

Statement of profit and loss for the period ended 31st March 2025

S No	Particulars	In AED Year Ended 31-03-2025
I	Revenue from operations	
II	Other income	70,777.78
III	Total income (I + II)	70,777.78
IV	Expenses :	
	Finance costs	15,42,450.00
	Other expenses	7,90,289.59
	Total expenses	23,32,739.59
V	Profit before exceptional items and tax (III - IV)	(22,61,961.81)
VI	Profit/ (Loss) for the year	(22,61,961.81)
VII	Other comprehensive income	
	Foreign currency translation adjustments	
VIII	Total comprehensive income for the year	**(22,61,961.81)**

RE-STATED ACCOUNTS OF
TVS MOTOR COMPANY DMCC

TVS MOTOR COMPANY DMCC

BALANCE SHEET AS AT 31ST MARCH 2025

	Notes	AED in Mn.	Rupees in crores
ASSETS			
Non-current assets			
Property, plant and equipment	1	181.43	422.19
Capital work-in-progress		1.76	4.10
Other Intangible assets		-	-
		183.19	426.29
Current assets			
Inventories		-	-
Financial assets			
Trade receivables		-	-
Cash and cash equivalents	2	7.20	16.76
Other financial assets	3	0.04	0.09
Other current assets		-	-
		7.24	16.85
Total Assets		190.43	443.14
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	92.00	210.78
Other equity	5	(2.26)	(1.97)
		89.74	208.81
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Borrowing	6	99.15	230.74
(ii) Lease liability		-	-
Provisions		-	-
		99.15	230.74
Current liabilities			
Financial liabilities			
(i) Borrowing		-	-
(ii) Lease liability		-	-
(iii) Trade payables			
a. Total outstanding dues of micro and small enterprises		-	-
b. Total outstanding dues of other than (iii) (a) above		-	-
Other current liabilities	7	1.54	3.59
		1.54	3.59
Total liabilities		100.69	234.33
Total equity and liabilities		190.43	443.14

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

		Notes	AED in Mn.	Rupees in crores
I	Revenue from operations		-	-
II	Other income	8	0.07	0.16
III	Total Income (I +II)		0.07	0.16
IV	Expenses:			
	Purchases of stock-in-trade		-	-
	Changes in inventories of Stock-in -trade		-	-
	Employee benefits expense		-	-
	Finance costs	9	1.54	3.55
	Depreciation and amortisation expense		-	-
	Other expenses	10	0.79	1.83
			2.33	5.38
V	Profit before exceptional items (III - IV)		(2.26)	(5.22)
VI	Exceptional items		-	-
VII	Profit before tax (V+ VI)		(2.26)	(5.22)
VIII	Tax expense			
	i) Current tax		-	-
	ii) Deferred tax		-	-
IX	Profit for the year (VII - VIII)		(2.26)	(5.22)
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss			
	Foreign currency translation adjustments		-	3.25
			-	3.25
XI	Total Comprehensive Income (IX + X)		(2.26)	(1.97)
XII	Earnings per equity share (Face value of AED 1000 each)			
	Basic & Diluted earnings per share (in AED 1000 each)		(24.57)	(567.39)

Notes on accounts - *(continued)*

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

AED in Mn.

Description	Property, Plant & Equipment								Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	Right of use	Total	Software	Trade marks, patents, licences	Design Development	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Cost of assets												
Gross carrying value as at 01-04-2024	-	-	-	-	-	-	-	-	-	-	-	-
Additions	181.43	-	-	-	-	-		181.43	-	-	-	-
Sub-total	181.43	-	-	-	-	-	-	181.43	-	-	-	-
Sales / deletion	-	-	-	-	-	-	-	-	-	-	-	-
Total	181.43	-	-	-	-	-	-	181.43	-	-	-	-
Depreciation / Amortisation												
Upto 31-03-2024	-	-	-	-	-	-	-	-	-	-	-	-
For the year	-	-	-	-		-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Withdrawn on assets sold / deleted	-		-	-	-	-		-	-			-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Carrying value												
As at 31-03-2025	181.43	-	-	-	-	-	-	181.43	-	-	-	-

1 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS - (continued)

Rupees in crores

Description	Property, Plant & Equipment								Other Intangible			
	Land	Building	Plant & equipments	Furniture and fixtures	Office equipments	Vehicles	ROU	Total	Software	Trade marks, patents, licences	Design Development	Total
	1	2	3	4	5	6	7	8	9	10	11	12
Cost of assets												
Gross carrying value as at 01-04-2024	-	-	-	-	-	-	-	-	-	-	-	-
Additions	422.19	-	-	-	-	-	-	422.19	-	-	-	-
Foreign Currency translation reserve difference	-	-	-	-	-	-	-	-	-	-	-	-
Sales / deletion	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	422.19	-	-	-	-	-	-	422.19	-	-	-	-
Total	422.19	-	-	-	-	-	-	422.19	-	-	-	-
Depreciation / Amortisation												
Upto 31-03-2024	-	-	-	-	-	-	-	-	-	-	-	-
For the year	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency translation reserve difference	-	-	-	-	-	-	-	-	-	-	-	-
Withdrawn on assets sold / deleted	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Carrying value												
As at 31-03-2025	422.19	-	-	-	-	-	-	422.19	-	-	-	-

Notes on accounts - *(continued)*

		AED in Mn.	Rupees in crores
		As at 31-03-2025	As at 31-03-2025
2	CASH AND CASH EQUIVALENTS		
	Balances with banks	7.20	16.76
	Cash on hand	-	-
		7.20	16.76
3	OTHER FINANCIAL ASSETS		
	Deposits made	0.04	0.09
		0.04	0.09
4	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up:		
	92,000 Ordinary shares of AED 1000 each	92.00	210.78
		92.00	210.78
5	OTHER EQUITY		
	Retained earnings	(2.26)	(5.22)
	Capital reserve	-	-
	Foreign currency translation reserve	-	3.25
		(2.26)	(1.97)
6	FINANCIAL LIABILITIES - BORROWINGS (NON CURRENT)		
	Unsecured		
	Term Loan from :		
	Bank	-	-
	Others	99.15	230.74
		99.15	230.74
7	OTHER CURRENT LIABILITIES		
	Interest Payable	1.54	3.59
		1.54	3.59

		AED in Mn.	Rupees in crores
		As at 31-03-2025	As at 31-03-2025
8	OTHER INCOME		
	Interest on Deposits	0.07	0.16
		0.07	0.16
9	FINANCE COST		
	Interest expenses	1.54	3.55
		1.54	3.55
10	OTHER EXPENSES		
	(a) Bank Charges	-	0.01
	(b) Consultancy Charges	0.11	0.26
	(c) Legal Expenses	0.58	1.33
	(d) Foreign exchange loss (Net)	0.08	0.18
	(e) Miscellaneous expenses	0.02	0.05
		0.79	1.83